

FILE NOTATIONS

Entered in NID File
Location Map Pinned
Card Indexed
✓

Checked by Chief
Approval Letter
Disapproval Letter

COMPLETION DATA:

Date Well Completed 11/8/78

Location Inspected

OW..... WW..... TA.....

Bond released

GW..... OS..... PA.....

State or Fee Land

LOGS FILED

Driller's Log.....

Electric Logs (No.) ✓.....

E..... I..... Dual I Lat..... GR-N..... Micro.....

BHC Sonic GR..... Lat..... MI-L..... Sonic.....

CBLog..... CCLog..... Others.....

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN DUPLICATE*
 (Other instructions on
 reverse side)

5. Lease Designation and Serial No.

Fee

6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. Type of Well

Oil
Well ☒Gas
Well ☐

Other

Single
Zone ☐Multiple
Zone ☐

2. Name of Operator

W. A. Moncrief

3. Address of Operator

P.O. Box 2573 Casper Wyoming 82602

4. Location of Well (Report location clearly and in accordance with any State requirements.*)

At surface

Section 10, T4S, R6W, NE SW

At proposed prod. zone

1749' Fsh & 1928' Fsh

14. Distance in miles and direction from nearest town or post office*

7 1/2 miles from Duchesne

15. Distance from proposed*

location to nearest
property or lease line, ft.
(Also to nearest drlg. line, if any)

16. No. of acres in lease

160

17. No. of acres assigned
to this well

640

18. Distance from proposed location*
to nearest well, drilling, completed,
or applied for, on this lease, ft.

19. Proposed depth

8300

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

6334' Gf.

22. Approx. date work will start*

September 10, 1978

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
14 3/4"	10 3/4"	40 1/2	600	400 SKS
9 5/8	7"	23.0	6200	400
6 1/4	5"	15.0	6000-8300	300

Confidential

Propose to drill an 8300 Ft. Wasatch test if commercial show of oil and gas are encountered set casing, perforate and evaluate any productive interval.

APPROVED BY THE DIVISION OF
 OIL, GAS, AND MINING

DATE: 8/14/78

BY: C. B. Wright

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed: Sam Stewart

Title: Consultant

Drilling Supervisor

Date:

(This space for Federal or State office use)

Permit No. B-013-30460

Approval Date

Approved by:

Title:

Date:

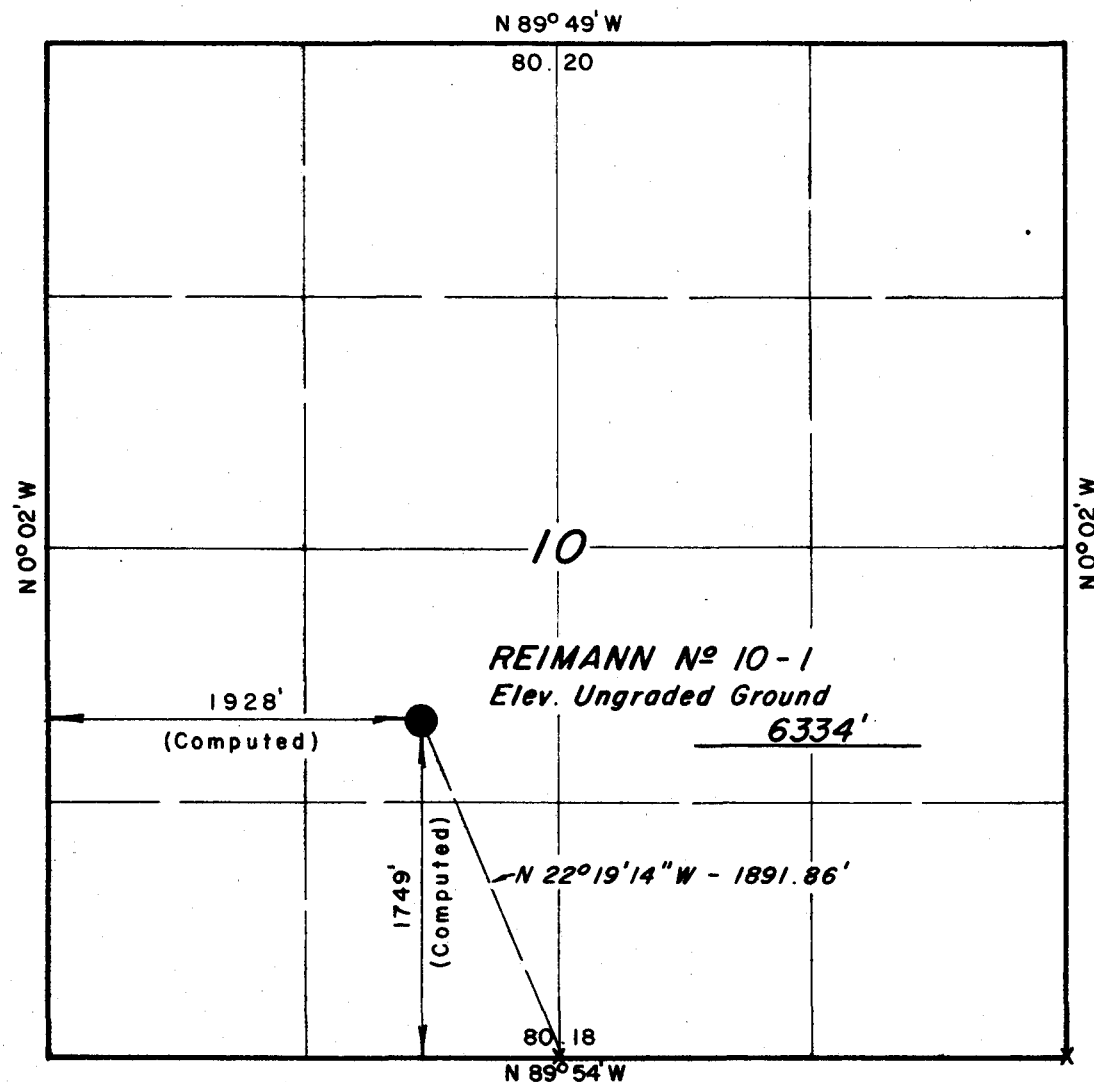
Conditions of approval, if any:

T 4 S, R 6 W, U.S.B. & M.

PROJECT

W. A. MONCRIEF

Well location, REIMANN N^o 10-1,
located as shown in the NE 1/4 SW 1/4
Section 10, T 4 S, R 6 W, U.S.B. & M.
Duchesne County, Utah.



X = Section Corners Located



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Dene Stewart

REGISTERED LAND SURVEYOR
REGISTRATION N^o 3154
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P. O. BOX Q - 110 EAST - FIRST SOUTH
VERNAL, UTAH - 84078

SCALE 1" = 1000'	DATE 8 / 14 / 78
PARTY S. S. M. W.	REFERENCES GLO Plat
WEATHER Fair	FILE MONCRIEF

STATE OF UTAH
DIVISION OF OIL, GAS, AND MINING

** FILE NOTATIONS **

Date: Aug. 17-
Operator: W.A. Mancini
Well No: Brigham 101
Location: Sec. 10 T. 41 R. 6W County: DeChesne

File Prepared: ☐ Entered on N.I.D.: ☐
Card Indexed: ☐ Completion Sheet: ☐

API Number: 43-013-30460

CHECKED BY:

Administrative Assistant: Tw

Remarks: OK

Petroleum Engineer: OK Pt

Remarks:

Director: _____

Remarks:

*no E.I.S.
necessary*

INCLUDE WITHIN APPROVAL LETTER:

Bond Required: ☒ Survey Plat Required: ☐

Order No. _____ Surface Casing Change ☐
to _____

Rule C-3(c), Topographic exception/company owns or controls acreage
within a 660' radius of proposed site ☒

O.K. Rule C-3 ☐ O.K. In _____ Unit

Other:

Letter Written/Approved

August 17, 1978

W.A. Moncrief
P.O. Box 2573
Casper, Wyoming 82602

Re: Well No. Reimann 10-1
Sec. 10, T. 4 S, R. 6 W, USM
Duchesne County, Utah

Gentlemen:

Insofar as this office is concerned, approval to drill the above referred to well is hereby granted in accordance with RULE C-3(c), General Rules and Regulations.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

PATRICK L. DRISCOLL - Chief Petroleum Engineer
HOME: 582-7247
OFFICE: 533-5771

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-013-30460.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

CLEON B. FEIGHT
Director



CALVIN L. RAMPTON
Governor

OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING

1588 West North Temple
Salt Lake City, Utah 84116

GUY N. CARDON
Chairman

CHARLES R. HENDERSON
ROBERT R. NORMAN
JAMES P. COWLEY
HYRUM L. LEE

CLEON B. FEIGHT
Director

November 2, 1978

W. A. Moncrief
P. O. Box 2873
Casper, Wyoming 82602

Re: Well No. Reimann 10-1
Sec. 10, T. 4S, R. 6W,
Duchesne County, Utah
September 1978

Gentlemen:

Our records indicate that you have not filed a Monthly Report of Operations for the months indicated above on the subject well(s).

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1b, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

KATHY OSTLER
RECORDS CLERK

0.6

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO.	
2. NAME OF OPERATOR W. A. Moncrief		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR P. O. Box 2573, Casper, Wyoming 82602		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE $\frac{1}{4}$ SW $\frac{1}{4}$ (1928' FWL, 1749' FSL)		8. FARM OR LEASE NAME Reimann	
14. PERMIT NO. 43-013-30460		9. WELL NO. 10-1	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6323' GL		10. FIELD AND POOL, OR WILDCAT Cedar Rim	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 10-4S-6W	
		12. COUNTY OR PARISH Duchesne	13. STATE Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐(Other) ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON* ☐CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐(Other) ☐REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐Monthly ☒(NOTE: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

CONFIDENTIAL

November 1978

Spudded at 8:00 PM on September 4, 1978 with Kenai's Drilling Rig No. 9. Ran 597' of 10-3/4" 40.5# J-55 casing and set at 613' KB w/500 sx cement. Ran 7-5/8" 26.40# J-55 & N-80 casing to 5776' KB and cemented - no returns. Drilled to a TD of 7146' and ran 38 joints of 5-1/2" P-110 17# SFJ liner from 5553' KB to 7146' KB and cemented with 285 sx cement.

Released drilling rig on October 19, 1978 and turned well over to Koch Exploration Company for completion.

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE

Production Manager

DATE

December 13, 1978

(This space for Federal or State office use)

APPROVED BY

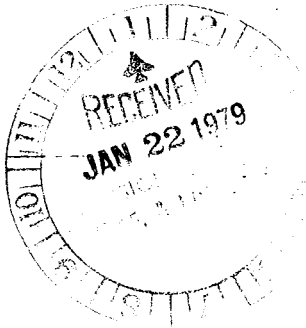
TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

FILE IN QUADRUPLICATE
FORM OGC-8-X



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
January 16, 1979

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number: REIMANN 10-1
Operator: W. A. Monerief Koch Address: P. O. Box 2573,
Casper, WY 82602
Contractor: Kenai Drilling Limited Address: 461 Denver Club Building
Denver, CO 80202
Location NE 1/4 SW 1/4; Sec. 10 T. 4 N, R. 6 E; Duchesne County
S W

Water Sands:

<u>Depth:</u>		<u>Volume:</u>	<u>Quality:</u>
From-	To-	Flow Rate or Head	Fresh or Salty
1.	<u>NO WATER SANDS ENCOUNTERED.</u>		
2.			
3.			
4.			
5.			

(Continue on Reverse Side if Necessary)

Formation Tops:

Wasatch 5968'

Remarks:

Koch Exploration Company, One Park Central, Suite 530, 1515 Arapahoe Street,
Denver, CO 80202 became Operator of well on October 20, 1978.

- NOTE: (a) Upon diminishing supply of forms, please inform this office.
(b) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
(c) If a water analysis has been made of the above reported zone,
please forward a copy along with this form.

SCOTT M. MATHESON
Governor



OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple
Salt Lake City, Utah 84116
(801) 533-5771

I. DANIEL STEWART
Chairman

CHARLES R. HENDERSON
JOHN L. BELL
THADIS W. BOX
C. RAY JUVELIN

CLEON B. FEIGHT
Director

February 16, 1979

Koch Exploration Company
P. O. Box 2256
Wichita, Kansas 67201

Re: Well No. Reimann 10-1
Sec. 10, T. 4S, R. 6W,
Duchesne County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above referred to well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

Kathy Ostler
KATHY OSTLER
RECORDS CLERK

Release date:
6-8-79STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> Other _____										5. LEASE DESIGNATION AND SERIAL NO. Fee																														
b. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____										6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA																														
2. NAME OF OPERATOR Koch Exploration Co. (Division of Koch Industries, Inc.)										7. UNIT AGREEMENT NAME NA																														
3. ADDRESS OF OPERATOR P.O. Box 2256; Wichita, Kansas 67201										8. FARM OR LEASE NAME REIMANN																														
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1749' FSL & 1928' FWL At top prod. interval reported below At total depth										9. WELL NO. 10-1																														
14. PERMIT NO. NA DATE ISSUED 8-17-78										10. FIELD AND POOL, OR WILDCAT Wildcat																														
15. DATE SPUDDED 9-4-78 16. DATE T.D. REACHED 10-16-78 17. DATE COMPL. (Ready to prod.) 11-8-78										11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec. 10-4S-6W																														
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* GR 6323', KB 6337										12. COUNTY OR PARISH Duchesne																														
19. ELEV. CASINGHEAD										13. STATE Utah																														
20. TOTAL DEPTH, MD & TVD 7146 21. PLUG, BACK T.D., MD & TVD 7084 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY →										24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 6122-7036' (17 intervals, 224' w/251 holes) Wasatch																														
25. WAS DIRECTIONAL SURVEY MADE No										26. TYPE ELECTRIC AND OTHER LOGS RUN DIL, GR-N, Density, SP																														
27. WAS WELL CORED No										28. CASING RECORD (Report all strings set in well)																														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>CASINO SIZE</th> <th>WEIGHT, LB./FT.</th> <th>DEPTH SET (MD)</th> <th>HOLE SIZE</th> <th>CEMENTING RECORD</th> <th>AMOUNT PULLED</th> </tr> </thead> <tbody> <tr> <td>10-3/4</td> <td>40.5</td> <td>613</td> <td>14-3/4</td> <td>500</td> <td></td> </tr> <tr> <td>7-5/8</td> <td>26.4</td> <td>5776</td> <td>8-3/4</td> <td>NA</td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>										CASINO SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED	10-3/4	40.5	613	14-3/4	500		7-5/8	26.4	5776	8-3/4	NA														29. LINER RECORD
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SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)																																	
5-1/2	5553	7146	288			2-7/8	5515																																	
						2-3/8	5515																																	
31. PERFORATION RECORD (Interval, size and number) 6122-7036 Selective See attached sheet										32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.																														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>DEPTH INTERVAL (MD)</th> <th>AMOUNT AND KIND OF MATERIAL USED</th> </tr> </thead> <tbody> <tr> <td>6606-7036</td> <td>15,000 gal 15% NE with 150 ball sealers & 300# BAF per 1000 gal</td> </tr> <tr> <td>6122-7036</td> <td>10,000 gal 15% NE, 420 BS & 150# BAF/1000</td> </tr> </tbody> </table>										DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED	6606-7036	15,000 gal 15% NE with 150 ball sealers & 300# BAF per 1000 gal	6122-7036	10,000 gal 15% NE, 420 BS & 150# BAF/1000	33.* PRODUCTION																								
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36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Ernest L. Schmitt

TITLE

Operations Manager

DATE

Feb. 22, 1979

*(See Instructions and Spaces for Additional Data on Reverse Side)

REIMANN #10-1

February 23, 1979

<u>PERFS</u>	<u>NO. FEET</u>	<u>NO. HOLES</u>
6122-28'	6	7
6134-40	6	7
6158-64	6	7
6176-84	8	9
6208-14	6	7
6223-33	10	11
6242-54	12	13
6270-80	10	11
6310-18	8	9
6438-50	12	13
6468-74	6	7
6478-82	4	5
6530-36	6	7
6542-48	6	7
6606-10	4	5
6628-36	8	9
6670-84	14	15
6728-34	6	7
6758-64	6	7
6774-88	14	15
6810-16	6	7
6820-24	4	5
6842-52	10	11
6912-26	14	15
6932-36	4	5
6994-7004	10	11
7018-36	18	19
<hr/>	<hr/>	<hr/>
13 Intervals	118'	131 Holes



June 21, 1982

State of Utah
Natural Resources & Energy
Oil, Gas & Mining
4241 State Office Building
Salt Lake City, UT 84114

ATTN: Paula J. Frank

Dear Paula:

Attached are copies of three exhibits to be used by
Koch Exploration Company in the hearing on June 28, 1982.

Sincerely,

A handwritten signature in cursive script, appearing to read 'J. A. Ziser'.

J. A. Ziser
Senior Vice President-Production

dd

enclosures

RECEIVED
JUN 24 1982

DIVISION OF
OIL, GAS & MINING

EXHIBIT 2

KOCH EXPLORATION COMPANY

Estimated Cost of Gas Pipeline from Koch Reimann 10-1

NE SW Sec. 10-T4S-R6W to NE SW Sec. 34-T3S-R6W

4½ miles pipeline @ \$80,000/mile	\$360,000
River Crossing	80,000
Highway Crossing	15,000
Dehydrator	15,000
Compressor	60,000
Meter and Meter Run	3,000
10% Contingency	<u>53,300</u>
TOTAL	\$586,300

EXHIBIT 3

REIMANN #1

<u>YEAR</u>	<u>GROSS PRODUCTION</u>		<u>WI</u>	<u>INCOME</u>	<u>WINDFALL</u>	<u>AD VALOREM</u>	<u>OPERATING</u>	<u>NET INCOME</u>
	<u>BBLS OIL</u>	<u>MMCF GAS</u>	<u>OIL</u>	<u>GAS</u>	<u>TAX</u>	<u>TAX</u>	<u>COSTS</u>	
1	7200	5400	189,000	14,200	59,850	8,300	60,000	75,100
2	3600	2700	94,500	7,100	29,900	4,200	60,000	7,500

TRIBAL 11-1

<u>YEAR</u>	<u>GROSS PRODUCTION</u>		<u>WI</u>	<u>INCOME</u>	<u>WINDFALL</u>	<u>AD VALOREM</u>	<u>OPERATING</u>	<u>NET INCOME</u>
	<u>BBLS OIL</u>	<u>MMCF GAS</u>	<u>OIL</u>	<u>GAS</u>	<u>TAX</u>	<u>TAX</u>	<u>COSTS</u>	
1	1900	8600	47,500	21,500	15,000	2,100	60,000	-8,100

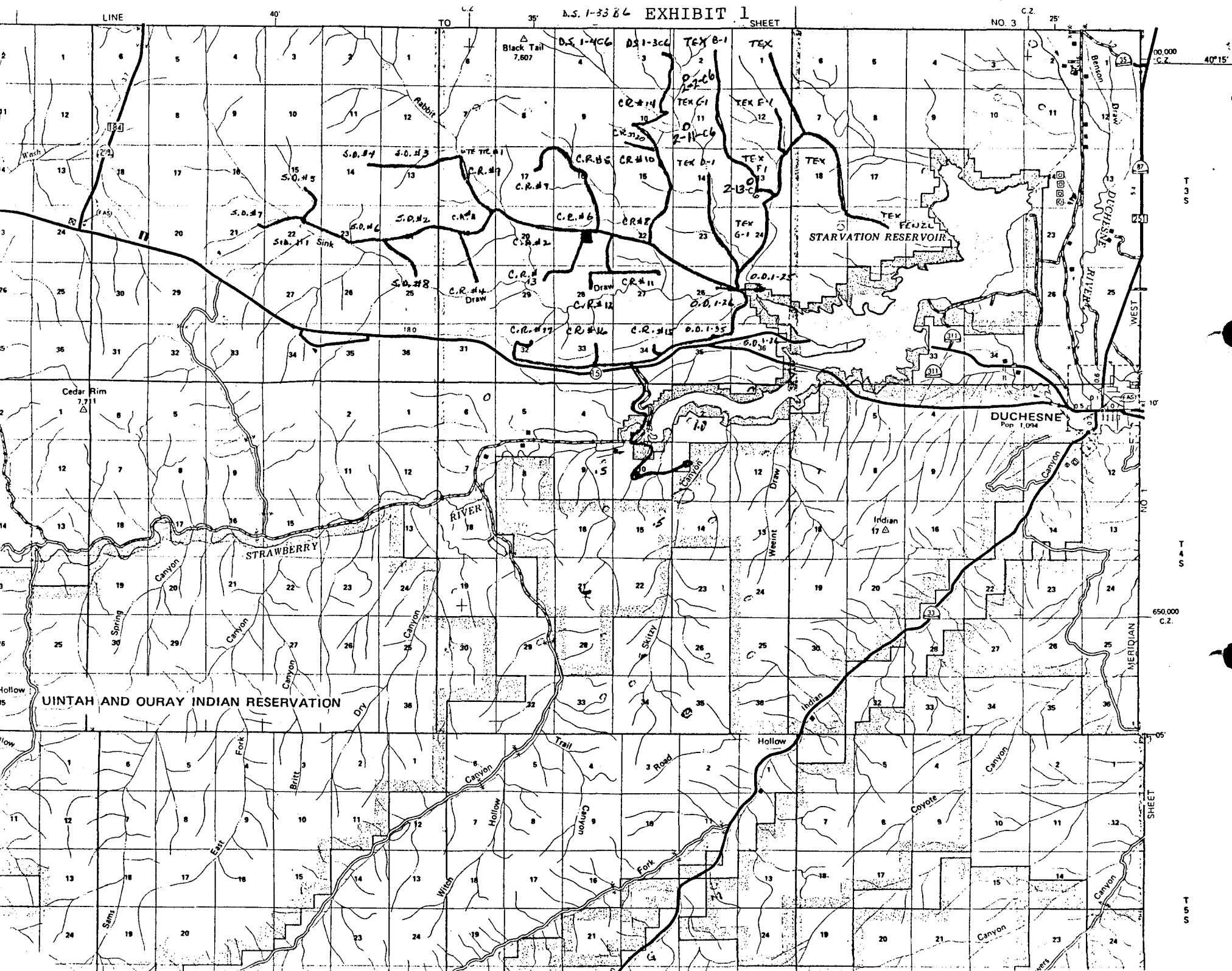


EXHIBIT 2

KOCH EXPLORATION COMPANY

Estimated Cost of Gas Pipeline from Koch Reimann 10-1

NE SW Sec. 10-T4S-R6W to NE SW Sec. 34-T3S-R6W

4½ miles pipeline @ \$80,000/mile	\$360,000
River Crossing	80,000
Highway Crossing	15,000
Dehydrator	15,000
Compressor	60,000
Meter and Meter Run	3,000
10% Contingency	<u>53,300</u>
TOTAL	\$586,300

EXHIBIT 3

REIMANN #1

<u>YEAR</u>	<u>GROSS PRODUCTION</u>		<u>WI</u> <u>OIL</u>	<u>INCOME</u> <u>GAS</u>	<u>WINDFALL</u> <u>TAX</u>	<u>AD VALOREM</u> <u>TAX</u>	<u>OPERATING</u> <u>COSTS</u>	<u>NET INCOME</u>
	<u>BBLs OIL</u>	<u>MCF GAS</u>						
1	7200	5400	189,000	14,200	59,850	8,300	60,000	75,100
2	3600	2700	94,500	7,100	29,900	4,200	60,000	7,500

TRIBAL 11-1

<u>YEAR</u>	<u>GROSS PRODUCTION</u>		<u>WI</u> <u>OIL</u>	<u>INCOME</u> <u>GAS</u>	<u>WINDFALL</u> <u>TAX</u>	<u>AD VALOREM</u> <u>TAX</u>	<u>OPERATING</u> <u>COSTS</u>	<u>NET INCOME</u>
	<u>BBLs OIL</u>	<u>MCF GAS</u>						
1	1900	8600	47,500	21,500	15,000	2,100	60,000	-8,100



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

TO: C. B. Feight, Director
FROM: R. J. Firth, Petroleum Engineer *RJF*
DATE: August 23, 1982
SUBJECT: Gas Flaring - Rule C-27
South Cedar Rim Area, Duchesne County, Utah

Hearings have recently been held before the Board in the matter of continued gas flaring in the South Cedar Rim area by Moncrief Oil Company and Koch Exploration Company. These hearings were Cause No. 196-7, May 27, 1982, involving Moncrief and Cause No. 196-8, June 28, 1982 involving Koch. Both companies presented information regarding present and future oil and gas production volumes, proposed gas gathering facilities and the economics of operating this system and the present production facilities. In both instances, it was determined that there were insufficient gas production volumes and inadequate gas reserves to justify a gas gathering system by each individual operator.

However, it was proposed that the entire area be studied to determine if it might be feasible and economical to install a gas gathering system that might be used by both operators on a cooperative basis. The following parameters were used to evaluate the pipeline installation and to determine the economics of gathering and marketing the casing head gas from the wells in this area:

1. Wells to be connected to the proposed gathering system are Moncrief No. 3-1, Moncrief No. 9-1, Moncrief No. 15-1, Koch No. 10-1, and Koch No. 11-1. All additional wells in the area are presently uneconomical to produce or shut in.
2. The proposed gathering system would be 2" and 3" OD lines laid on the surface. It would be necessary to increase the gathering line size to 3-4" OD line at the proposed river crossing and for the final approximately 2 miles of line including the highway crossing. It was concluded that less expensive plastic line might be used for the gathering lines between wells prior to the river crossing.
3. Gas sales meters, dehydrators, labor and miscellaneous expenses and a possible compressor installation were included in the initial pipeline expenditures.
4. The initial gas price was estimated at \$ 3.00 per MCF less basic and overriding royalties, estimated taxes, and transportation charges for sales gas. The approximate net price of \$ 2.15 per MCF was escalated at 8% annually.

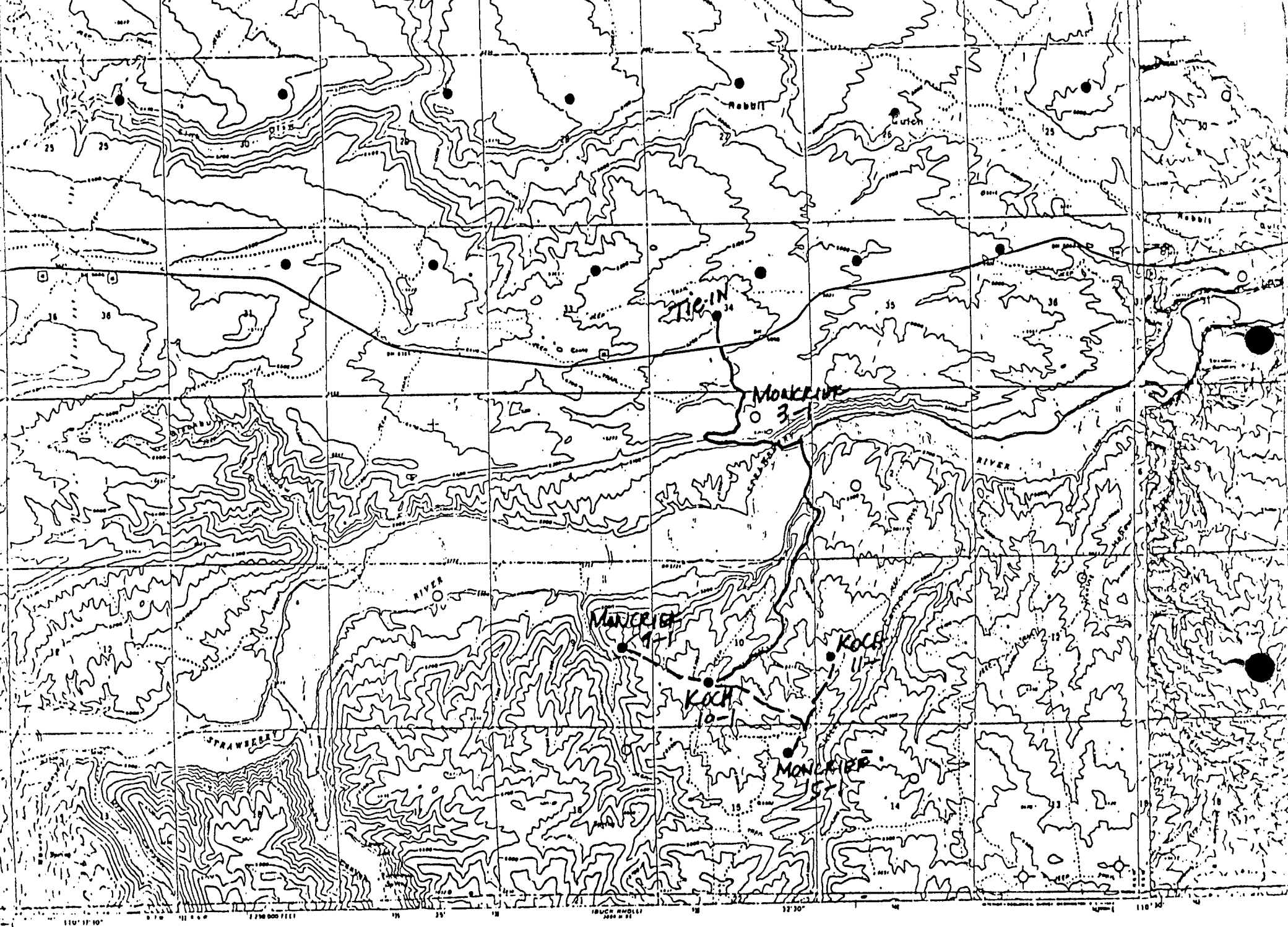
Page 2
C. B. Feight
August 23, 1982

5. Operating costs for the system were estimated at \$ 500.00 per month escalated at 10% annually. No allowance was made for the fuel gas useage for the compressor and dehydrator systems but this gas volume would reduce the gas sales volume.
6. Gas production decline was estimated at 20% per year based on the lease oil decline rate.

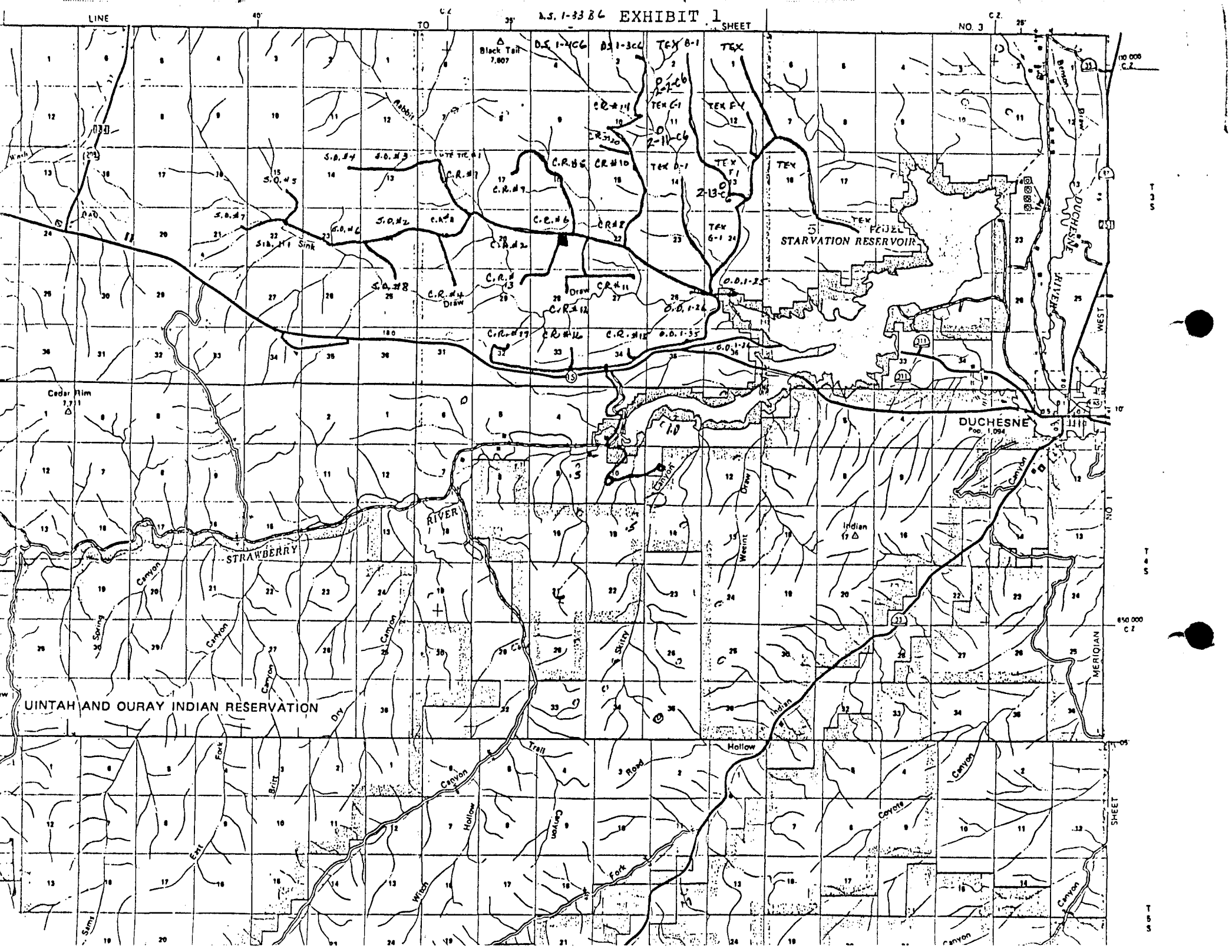
A gross estimated expenditure of \$ 500,000 would be necessary to install these necessary facilities to initiate gas sales. Although the operators would benefit from the current income generated by the sale of the presently flared gas, unfortunately under present circumstances, payout of the initial expenditures and the operating expenses would never be realized.

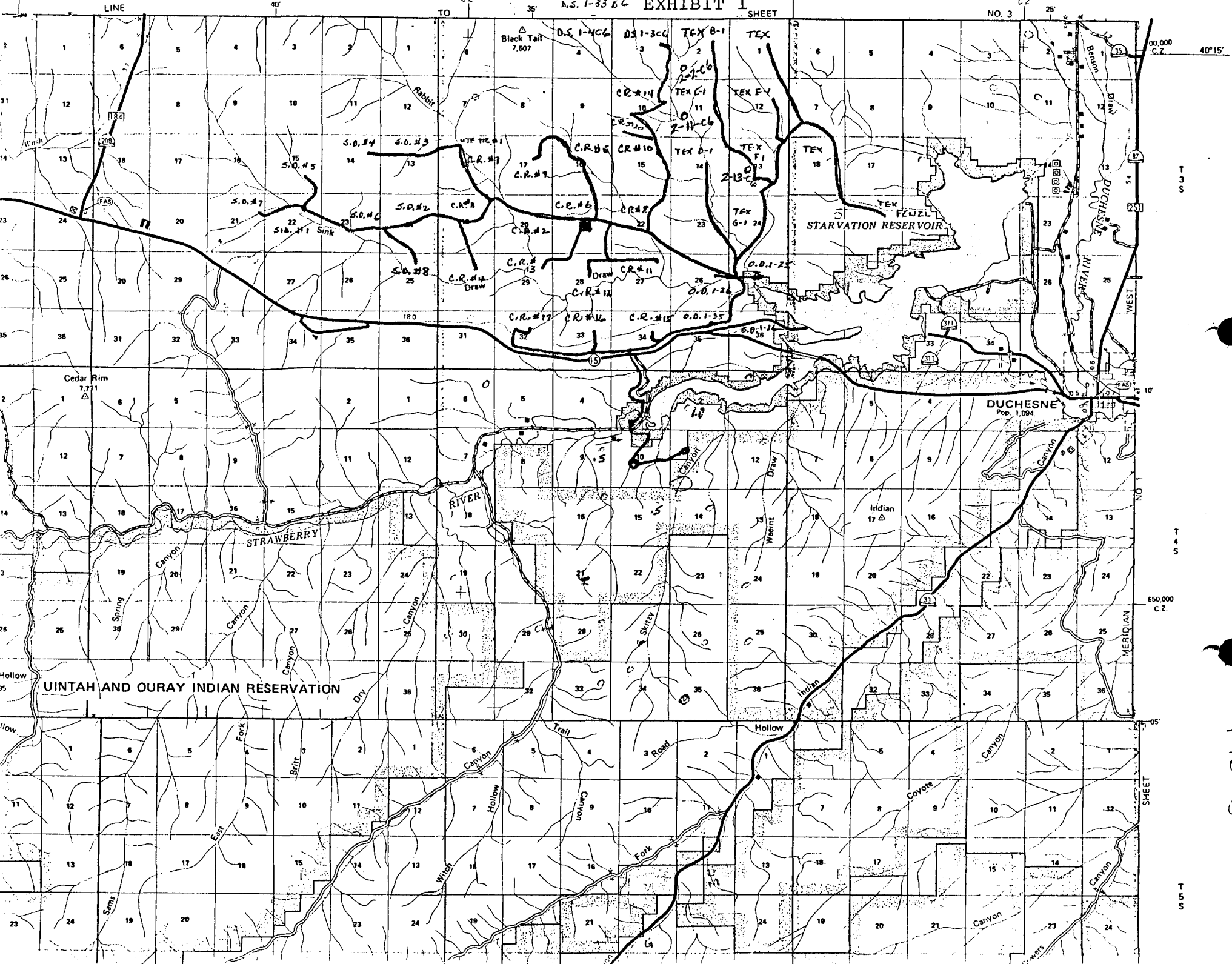
As there appears to be no indication of any unreasonable or excessive amount of gas production that will diminish the quantity of oil or gas that might ultimately be produced, continued flaring of gas should be allowed in order to produce the oil associated with this gas.

cc: Board of Oil, Gas & Mining



•





196-8

MONCRIEF OIL

February 3, 1986

P.O. BOX 2573
CASPER, WYOMING 82602
307-237-2541

RECEIVED
FEB 06 1986

WORKING INTEREST OWNERS
BUCK KNOLL AREA WELLS
DUCHESNE COUNTY, UTAH
(Address List Attached)

DIVISION OF
OIL, GAS & MINING


Re: Texaco Tribal 3-1
Bates 9-1
3-1 Reimann 10-1
Koch Tribal 11-1
Gulf Tribal 15-1
T4S-R6W, Duchesne County, Utah

Ladies and Gentlemen:

Please be advised W. A. Moncrief et al has sold its working interest in the above five wells effective October 28, 1985 to Messrs. Hadden and Harrison of Duchesne, Utah. Please direct any further correspondence in regard to the above wells to the new owners.

As to the Reimann 10-1 and Koch Tribal 11-1 wells, Koch Exploration Company, operator of these two wells, is hereby advised of this sale and all expenses and revenue should be apportioned accordingly.

Yours very truly,


P. G. Anderson
Production Manager

PGA/dmb

Enclosures

cc: Texaco Trading and Transportation, Inc.
Chase Industries
W. A. Moncrief, Jr.
Kay Martin
State of Utah
→ Ute Indian Tribe
Bureau of Land Management

BUCK KNOLL AREA WELLS
DUCHESNE COUNTY, UTAH
WORKING INTEREST OWNERS

Moncrief Oil
Moncrief Building
Ninth at Commerce
Fort Worth, TX 76102

Chevron, USA
Attn: W. J. Mansfield
P. O. Box 599
Denver, CO 80201

Texaco, Inc.
P. O. Box 2100
Denver, CO 80201

Koch Exploration Co.
One Park Central
Suite 530
1515 Arapahoe St.
Denver, CO 80202

Dennis G. Smith
4400 Coldwater Canyon Ave.
Suite 200
Studio City, CA 91604

Juanita C. Smith
1476 S. Wasatch Dr.
Salt Lake City, UT 84116

Fawn B. Coltharp
3707 Cold Point Drive
Salt Lake City, UT 84109

Lorraine Shelton
5321 Chiquita Lane
San Bernadino, CA 92404

Burton/Hawks, Inc.
P. O. Box 359
Casper, WY 82602

BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES AND ENERGY
in and for the STATE OF UTAH

IN THE MATTER OF THE DISCONTINUANCE OF)
FLARING OF GAS BY KOCH EXPLORATION) ORDER
COMPANY FROM WELLS LOCATED IN) CAUSE NO. 196-8
DUCHESE COUNTY, UTAH)

This cause came on for hearing before the Board of Oil, Gas and Mining at 10:00 a.m., on Monday, June 28, 1982, and for determination on Thursday, August 26, 1982, in Room 303, State Capitol Building, Salt Lake City, Utah, pursuant to an Order to Show Cause why the flaring of gas by Koch Exploration Company from wells located in Duchesne County should not be discontinued.

The following Board Members were present:

Charles R. Henderson, Chairman

Edward T. Beck (June 28)

E. Steele McIntyre (August 26)

Herm Olsen

Margaret Bird

Robert R. Norman (June 28)

NOW, THEREFORE, the Board, being fully advised in the premises, finds as follows:


1. Due and regular notice of the time, place and purpose of the hearing was given to all interested parties in the form and manner and within the time required by law and the rules and regulations of the Board,
2. that the nearest pipeline facility to Koch's wells is the gas gathering line installed by Santa Fe Energy Company,
3. that about 10,000 feet of line would have to be laid to connect Koch's wells to the Santa Fe Energy Company line,
4. that none of the wells which Koch operates in Township 4 South, Range 6 West, Duchesne County, produces sufficient oil or gas or contains adequate reserves to justify the cost of a gas gathering system,
5. that the cost of said gas gathering system might be less if the operator of the wells to the south connected his wells to the Santa Fe Energy Company line,

6. that Ron J. Firth, Chief Petroleum Engineer, Division of Oil, Gas and Mining, upon the request of the Board, made a study of the South Cedar Rim Area to determine if it might be feasible and economical to install a gas gathering system that might be used by Moncrief and Koch on a cooperative basis.


7. That it was determined that there were insufficient gas production volumes and inadequate gas reserves to justify a jointly operated gas gathering system.


IT IS THEREFORE ORDERED BY THE BOARD THAT Koch Exploration Company be authorized to flare gas from wells located in Duchesne County for an indefinite period from this date.

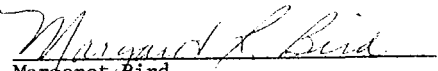
DATED this 26th day of August, 1982.


Charles R. Henderson, Chairman

Edward T. Beck


E. Steele McIntyre


Herm Olsen


Margaret L. Bird

Robert R. Norman

RECEIVED MONCRIEF OIL

FEB 10 1986

February 4, 1986

P.O. BOX 2573
CASPER, WYOMING 82602
307-237-2541

DIVISION OF
OIL, GAS & MINING

TO: WHOM IT MAY CONCERN

Please be advised W. A. Moncrief et al has sold its working interest in the following wells effective October 28, 1985 to Mssrs. Hadden and Harrison of Duchesne, Utah:

~~Texaco Tribal 3-1~~
Bates 9-1
Reimann 10-1
Koch Tribal 11-1
Gulf Tribal 15-1

Please direct any further correspondence or invoices in regard to the above wells to the new owners at P. O. Box 293, Duchesne, Utah 84121.

Thank you.

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• KOCH EXPLORATION CO.
P O BOX 2256
WICHITA KS 67201
ATTN: GEORGIA A. GEORGE

RECEIVED
AUG 11 1986

DIVISION OF OIL, GAS & MINING

082008

Utah Account No. N0540

Report Period (Month/Year) 7 / 86

Amended Report.

Well Name		Producing Zone	Days Oper	Production Volume		
API Number	Entity Location			Oil (BBL)	Gas (MSCF)	Water (BBL)
SINK DRAW #1 4301330033	06320 03S 07W 22	WSTC	TA	NONE	NONE	NONE
CEDAR RIM #3 4301330040	06325 03S 06W 19	WSTC	TA	NONE	NONE	NONE
SINK DRAW #2 4301330050	06330 03S 07W 24	WSTC	TA	NONE	NONE	NONE
REIMANN IO-1 4301330460	06410 04S 06W 10	WSTC	SOLD			
TRIBAL #11-1 4301330482	06415 04S 06W 11	WSTC	SOLD			
TOTAL						

TOTAL

Comments (attach separate sheet if necessary) ~~2-1-86~~ effective 2-1-86 to Harrison and Hadden, Box 293,
Duchesne, UT 84021, closing date was 7-2-86. All other wells to be plugged in
September, 1986.

I have reviewed this report and certify the information to be accurate and complete.

Date August 8, 1986

Authorized signature Georgia A. George

Telephone 316-832-5457

PLEASE COMPLETE FORMS IN BLACK INK



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

April 2, 1991

Darrel Hadden
13381 North Dry Fork Canyon
Vernal, Utah 84078

Dear Mr. Hadden:

Re: Non-Compliance

4301330460

POW

45 6W 10

In December 1988, and February 1989 field inspections were made at the Bates 9-1 and the Reimann 10-1 wells. The well signs posted at these locations have the name of the previous operators. The pumper was contacted regarding updating the well signs, he said new signs would have to be made.

In February 1990 the above locations were reinspected, the well signs still had the previous operators name. The pumper was again contacted about the well signs. The inspector was told that signs were being made for both of the locations.

A follow-up field inspection was made at both of these locations in September 1990, the new signs were not present, the pumper was contacted again and said that signs were being made. As of this date, the well signs have not been posted.

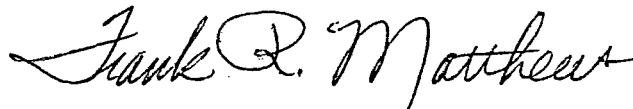
It will not be necessary to have new signs made, a bumper sticker with your company name will be sufficient to remedy the problem.

The Division feels that you have had ample opportunity to post or change well signs as needed. Therefore, we see no reason why these discrepancies cannot be taken care of within the next 90 days.

Page 2
Darrel Hadden
April 2, 1991

Your prompt attention to these matters will be appreciated. If you have any questions, please contact Jim Thompson at (801)538-5340.

Yours truly,

A handwritten signature in cursive script that reads "Frank R. Matthews". The signature is written in dark ink and is positioned above the printed name and title.

Frank R. Matthews
Petroleum Engineer

JLT/lc
cc: R. J. Firth
~~Well File~~
WIN2

cc

EXHIBIT "A"

To Communitization Agreement dated October 1, 1978, covering

All of Section 10, in

Township 4 South, Range 6 West USM, County Duchesne, State Utah.

Plat of Communitized Area

Lot 2	<div style="border: 1px solid black; padding: 5px; transform: rotate(-45deg); display: inline-block;"> 10.545 acres Tr. No. 8 Amer. Gilsonite </div>	Lot 1	Gulf et al Tr. No. 6 60.00 acres Ladd Pet. et al	Gulf et al Tr. No. 7 80.00 acres Horrocks et al
Texaco, Inc. Tr. No. 2 149.21 acres 14-20-H62-1943 The Ute Indian Tribe Ute Distribution Corp.		Gulf et al Tr. No. 5 80.00 acres Holroyd et al		
Koch Industries, Inc. Tr. No. 1 160.00 acres Paul Reimann et al <div style="border: 1px dashed black; padding: 5px; transform: rotate(-45deg); display: inline-block;"> Reimann # 10-1 Well - Located on NE 1/4 SW 1/4 </div>		Gulf et al Tr. No. 4 20.00 acres State		Texaco, Inc. Tr. No. 3 80.00 acres 14-20-H62-1944 Ute Indian Tribe Ute Distribution Corp.
160 Surface Acres owned by Maybeth Farr Reimann		Gulf Tr. No. 6 (see above)		

ANKAS BLUE PRINT CO. INC.

FORM 53

NOTE: Well location is in the NE 1/4 SW 1/4, Section 10.

McKAY, BURTON & THURMAN

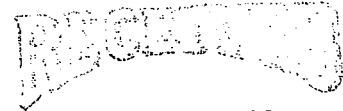
A PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW
SUITE 1200 KENNECOTT BUILDING
10 EAST SOUTH TEMPLE STREET
SALT LAKE CITY, UTAH 84133
(801) 521-4135

OF COUNSEL
DAVID L. MCKAY
WILLIAM T. THURMAN
TELEFAX 801-521-4252

WILFORD M. BURTON
BARRIE G. MCKAY
WILLIAM THOMAS THURMAN
DAVID L. BIRD
R. KIMBALL MOSIER
REID TATEOKA
STEPHEN W. RUPP
JOEL T. MARKER
SCOTT C. PIERCE
MONA LYMAN
HARRY CASTON
SHAWN D. TURNER

March 11, 1992



MAR 12 1992

DIVISION OF
OIL & GAS

R. J. Firth
Associate Director, Division of Oil,
Gas & Mining
#3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

*Re: Hadden & Harrison, joint venture
Documents regarding sale of operating assets to YM Oil Corporation*

Dear Mr. Fifth:

In response to my letter of March 6, 1992 to Dianne R. Nielson, Lisha Romero of your office called to request copies of documents evidencing the sale of Hadden & Harrison's operating assets to YM Oil Corporation. Therefore, I have enclosed with this letter copies of the following documents:

1. Assets Sale Agreement between Hadden & Harrison and YM Oil Corporation, dated December 4, 1991. Please note that the Assets Sale Agreement contains signatures of Darrel Hadden and Thomas D. Harrison of Hadden & Harrison, as well as that of Paul L. McCulliss, president of YM Oil Corporation. Please also note on page 14 the address for YM Oil Corporation is as follows:

Paul L. McCulliss
YM Oil Corporation
P.O. Box 13557
Denver, CO 80201

I have also included a copy of Exhibit "C" to the Assets Sale Agreement which indicates that the certificates of deposit held by First Interstate Bank of Park City in favor of the Division of Oil & Gas are assets that were excluded from the sale to YM Oil Corporation and those certificates of deposit, upon release by the State, shall remain property of Hadden & Harrison.

R. J. Firth
March 11, 1992
Page 2

2. Also enclosed is a copy of the Assignment, Bill of Sale and Conveyance, between Thomas D. Harrison, Darrel Hadden and Hadden & Harrison and YM Oil Corporation, dated January 31, 1992.

If you have any further questions regarding these documents or the matters addressed in my letter of March 6, 1992, please give me a call.

Very truly yours,

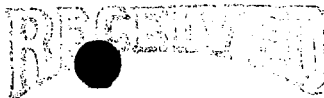
A handwritten signature in black ink, appearing to read 'J. Marker', with a stylized flourish at the end.

Joel T. Marker

JTM:als
08015

Enclosures

cc (w/o encl.): Darrel Hadden
Jeffrey C. Swinton
Paul L. McCulliss



APR 13 1992

DESIGNATION OF AGENT OR OPERATOR - FORM 5

DIVISION OF

OIL, GAS & MINING

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Reinmann

LEASE NUMBER: 10-1

and hereby designates

NAME: Paul L. McCulliss

ADDRESS: 621 17th Street, Suite 2155, Denver, Colorado 80293

as his agent/operator, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to (describe acreage to which this designation is applicable):

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees promptly to notify the Division Director or Authorized Agent of any change in this designation.

Effective Date of Designation 02/01/92

By: 

(signature)

Company McCulliss Resources Co., Inc.

Title: President

Address 621 17th Street, Suite 2155

Denver, CO 80293

Phone: (303) 292-5458

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____

☐ Suspense _____

☒ Other
OPERATOR CHANGE

(Location) Sec____Twp____Rng____

(Return Date) _____

(API No.) _____

(To - Initials) _____

1. Date of Phone Call: 4-16-92 Time: 8:37

2. DOGM Employee (name) L. ROMERO (Initiated Call ☒
Talked to:

Name PAUL MCCULLISS (Initiated Call ☐ - Phone No. (303) 292-5458

of (Company/Organization) MCCULLISS RESOURCES COMPANY

3. Topic of Conversation: OPERATOR CHANGE FROM HADDEN & HARRISON TO YM OIL CORP. OR
TO MCCULLISS RESOURCES CO.? ALSO, BOND #B03489 (\$20,000) RECEIVED ON 4-13-92
SHORT \$20,000, FOR THE BATES 9-1 & REIMANN 10-1 WELLS.

4. Highlights of Conversation: MR. MCCULLISS STATED THAT THEY WANT TO OPERATE THE WELLS IN UTAH UNDER THE NAME
OF MCCULLISS RESOURCES COMPANY, HE IS PRESIDENT OF BOTH. AS FAR AS THE BOND
AMOUNT, HE REFERRED ME TO BRUCE HERBRICK AT (303)571-4235. MR. HERBRICK HANDLES
SOME OF HIS AFFAIRS, AND SHOULD HAVE SET UP EITHER A \$40,000 SURETY OR A BLANKET
BOND IN THE AMOUNT OF \$80,000.

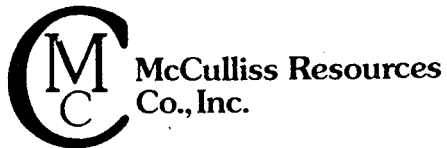
8:48/DEPT. OF COMMERCE - NEITHER COMPANY IS REGISTERED AS OF YET.

8:55/BRUCE HERBRICK - MSG LEFT WITH RECEPTIONIST.

9:00/DARREL HADDEN - RETURNED HIS CALL, APPRISED HIM OF SITUATION. WILL NOTIFY
HIM AS SOON AS ADDITIONAL BONDING IS RECEIVED.

920417/11:45 - BRUCE HERBRICK ASKED ME TO MAIL A LETTER TO PAUL MCCULLISS.

REQUESTING ADDITIONAL BONDING, ALONG WITH RULES & REGS.



REGISTERED

APR 13 1992

April 9, 1992

DIVISION OF
OIL GAS & MINING

Ms. Lisha Romero
Park City Office
State of Utah
Division of Oil, Gas & Mining
355 W. North Temple #350
Salt Lake City, Utah 84180

RE: Change of Operator

Dear Ms. Romero,

Enclosed for your review are Change of Operator forms for the Hadden & Harrision Bates 9-1 and Reimann 10-1 Wells. Also enclosed is the required \$20,000 Statewide Blanket Bond.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Paul L. McCulliss', is written over a large, light-colored, textured graphic that resembles a stylized oil pumpjack.

Paul L. McCulliss
President

PLM/tjb

encls.

cc: Joel Marker
Tom Harrison

RECEIVED
STATE TAX COMMISSION

APR 15 1992

RECEIVED BY
Auditing Division

HADDEN & HARRISON JOINT VENTURE
13381 N. Dryfork Cyn
Vernal, Utah 84078
(801) 789-8501

April 11, 1992

Utah State Tax Commission
160 E 300 S
Salt Lake City, Utah 84134-0550

Dear Sirs:

Effective January 31, 1992 Hadden & Harrison ceased its operations on all producing entities listed on the enclosed return. Also enclosed is a copy of a letter giving notice of dissolution and sale of assets.

Hadden & Harrison is hereby requesting that you close our conservation and severance tax accounts # N7228 on the above effective date. Our quarterly severance tax return will be filed as soon as we receive them from the state.

The enclosed quarterly conservation tax return only includes January production and tax payment.

If we need to file additional forms or you need more information please contact me at the above address.

Sincerely,


Darrel Hadden

COPY

RECEIVED

APR 17 1992

DIVISION OF
OIL GAS & MINING

Bureau of Land Management
Branch of Fluid Minerals
P.O. Box 45155
Salt Lake City, Utah 84145-0155

RECEIVED

MAY 15 1992

DIVISION OF
OIL GAS & MINING

May 13, 1992

McCulliss Resources Company, Inc.
621 17th Street, Suite 2155
Denver, Colorado 80293

Re: Successor of Operator
Communitization Agreement (CA)
9C-000195
Duchesne County, Utah

Gentlemen:

Reimann 10-1
43-013-30460 Sec. 10, 45 6W

We received an indenture whereby Koch Exploration Company resigned as Operator and McCulliss Resources Company, Inc. was designated as Operator for CA 9C-000195, Duchesne County, Utah.

This instrument is hereby accepted effective as of May 13, 1992. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA 9C-000195.

Please advise all interested parties of the change in operator.

Sincerely,

/s/ George Diwachak

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Vernal (w/enclosure)

DOGM

File - CR-211 (w/enclosure)

MMS - Reference Data Branch

Agr. Sec. Chron

Fluid Chron

U-922:TAThompson:tt:05-13-92



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

July 6, 1992

Paul McCulliss
McCulliss Resources Company, Inc.
621 17th Street, Suite 2155
Denver, Colorado 80293

Dear Mr. McCulliss:

Re: Operator Change, Hadden & Harrison to McCulliss
Resources Company, Inc., for wells located in
Carbon, Duchesne and Uintah County, Utah.

In reviewing the operator change for the referenced companies, it was determined that your company is not currently registered with the Utah Department of Commerce. This letter is written to advise you of your responsibility to register your company with the state prior to conducting business within Utah. This can be accomplished by contacting:

Department of Commerce
Division of Corporations
160 East 300 South
Salt Lake City, Utah 84111
(801) 530-4849

Sincerely,

Lisha Romero
Administrative Analyst

cc: Dept. of Commerce
D.T. Staley
R.J. Firth
Operator File(s)
Correspondence File/ldc



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangertter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

January 29, 1993

Mr. Darrel Hadden
Hadden & Harrison
13381 N. Dryfolk Canyon
Vernal, Utah 84078

Dear Mr. Hadden:

Re: Notification of Sale or Transfer of Lease Interest - Bates 9-1 Well, Sec. 9, T. 4S, R. 6W, Duchesne County, API No. 43-013-30469 and Reiman 10-1 Well, Sec. 10, T. 4S, R. 6W, Duchesne County, API No. 43-013-30460

The division has received notification of a change of operator from Hadden & Harrison to McCulliss Resources Co., Inc. for the referenced wells which are located on fee leases.

Rule R649-2-10, of the Utah Oil and Gas Conservation General Rules, requires that the owner of a lease provide notification to any person with an interest in such lease (working interest or royalty interest), when all or part of that interest in the lease is sold or transferred.

This letter is written to advise Hadden & Harrison of its responsibility to notify all individuals with an interest in these leases of the change of operator. Please provide written documentation of this notification to the division no later than February 22, 1993.

Sincerely,

Don Staley
Administrative Supervisor
Oil and Gas

ldc
cc: R.J. Firth
WOI201

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:

☐ Well File _____

☐ Suspense _____

☒ Other _____

(Location) Sec _____ Twp _____ Rng _____

(Return Date) _____

Open Change _____

(API No.) _____

(To - Initials) _____

1. Date of Phone Call: 8-28-92 Time: (2:30)

2. DOGM Employee (name) J. Romero (Initiated Call ☒)
Talked to:

Name Sally (Initiated Call ☐) - Phone No. (801) 789-1362

of (Company/Organization) Btm/Vernal

3. Topic of Conversation: Open change "Hadden E. Harrison to McCulliss Res."

4. Highlights of Conversation: _____

Change has not been approved.

* 920828 Btm/SJ CR-164 / Landsdale 1-11 43-047-31024 (chg. not approved)

* 920930 Btm/S.J. E. Vernal Not approved.

* 921030 " "

* 921127 " "

* 921215 " "

* 930107 F.S. Prince #1 Approved. Landsdale 1-11 not approved, see separate change.

* 930128 Indian lease wells, hold for BIA/Btm Approval per Admin.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1-VLC	7- 1 AC
2-DTS	7/15
3-VLC	✓
4-RJF	✓
5-RWM	✓
6-ADA	✓

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-31-92)

TO (new operator) MCCULLISS RESOURCES CO INC
(address) 621 17TH ST STE 2155
DENVER CO 80293
PAUL MCCULLISS
phone (303) 292-5458
account no. N 6940

FROM (former operator) HADDEN & HARRISON
(address) 13381 N DRY FORK CANYON
VERNAL UT 84078
DARREL HADDEN
phone (801) 789-8501
account no. N 7228

Well(s) (attach additional page if needed):

***PAUL MCCULLISS ALSO PRES OF YM OIL CORP/DENVER**

Name: <u>BATES 9-1/GR-WS</u>	API: <u>43-013-30469</u>	Entity: <u>530</u>	Sec <u>9</u> Twp <u>4S</u> Rng <u>6W</u>	Lease Type: <u>FEE</u>
Name: <u>REIMANN 10-1/GR-WS</u>	API: <u>43-013-30460</u>	Entity: <u>6410</u>	Sec <u>10</u> Twp <u>4S</u> Rng <u>6W</u>	Lease Type: <u>FEE</u>
Name: <u>FS PRINCE GOVT 1/GRRV</u>	API: <u>43-047-16199</u>	Entity: <u>7035</u>	Sec <u>10</u> Twp <u>7S</u> Rng <u>24E</u>	Lease Type: <u>SL070932A</u>
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____ Twp _____ Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (Rec'd 3-9-92/3-12-92)
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec'd 3-12-92)
3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: 165626. (EA 10-28-92) * Letter mailed 7-6-92.
4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (FEE 7-31-92) (1-28-93)
6. Cardex file has been updated for each well listed above. (FEE 7-31-92) (1-28-93)
7. Well file labels have been updated for each well listed above. (FEE 7-31-92) (1-28-93)
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. (FEE 7-31-92) (1-28-93)
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. (Reg. 3-10-92) (Lic'd 40,000 Surety Bond "Underwriters Indemnity Co. on 8-10-92")
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) yes. Today's date March 10, 1992. If yes, division response was made by letter dated August 11, 1992.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 1-29-93 1993, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

FILED

1. All attachments to this form have been microfilmed. Date: Feb 3 1993.

FILED

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

REMARKS

- 920731 Fee lease wells changed to McCulliss Resources. (Bond rec'd 8-10-92 / \$40,000)
- 930121 Btm/Vernal Approved FS Prince #1 on 1-7-93.
- * Landsdale 1-11 C.A. CR-164 not approved, will be handled on separate change.
- * Indian lease wells (3) not approved, will be handled on separate change.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged or abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

RECEIVED

1. Type of Well: OIL ☒ GAS ☐ OTHER:

JAN 14 1994

2. Name of Operator:
McCulliss Resources Co., Inc.

DIVISION OF

3. Address and Telephone Number:
621 17th Street, Suite 2155, Denver, CO 80293 (303) 292-5458

4. Location of Well

Footages:

QQ, Sec., T., R., M.: 10NESW T4S R6W

5. Lease Designation and Serial Number:

9C195

6. If Indian, Allottee or Tribe Name:

Ute Tribe

7. Unit Agreement Name:

8. Well Name and Number:

Reiman 10-1

9. API Well Number:

430133046000SI 30460

10. Field and Pool, or Wildcat:

Cedar Rim

County: Duchesne

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other _____ | |

Approximate date work will start _____

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandonment * | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Shoot or Acidize |
| <input type="checkbox"/> Conversion to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Oil Spill</u> | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Occurance: Monday, January 10, 1994 12:00 PM

Location: 10NESW T4S-R6W

Specific: Production tank filled up to the point oil spilled out of the Thief Hatch and ran down side of tank.

Damage Result: Spill ran down tank, filled fire wall surrounding tank, leaked through dike on South side of tank for a distance of approximately 150 feet.

Action Taken: Spill was discovered at approximately 12:00 PM, Monday, January 10, 1994. Well was shut down and clean up to be done Thursday, January 13, 1994. Remove all Crude oil and contaminated soil.

Estimate of volume: Approximate volume is 15 to 20 bbls, all un-recoverable

13.

Name & Signature: 

Paul L. McCulliss Title: President

Date: 1/12/94

(This space for State use only)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" - for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other Pipeline

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well (Footage, Sec., T., R., M., Or Survey Description)

Various -- see attached map.

5. Lease Designation and Serial No.

6. If Indian, Alottee or Tribe Name

Ute

7. If Unit or CA, Agreement Designation

N/A

8. Well Name and No.

9. API Well No.

43-013-30460

10. Field and Pool, Or Exploratory Area

Cedar Rim

11. County or Parish, State

Duchesne County, UT

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other Gas Line

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

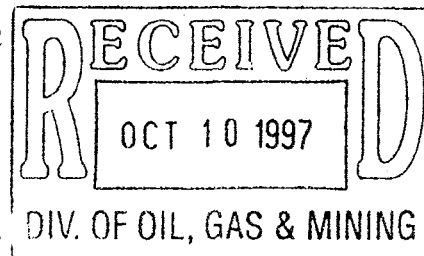
☐ Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

Operator proposes to install a three inch plastic gas line from the Ute #1-15D6 to tie into an existing meter station located in Section 34-T3S-R6W. The line will also service the Ute #1-11D6, Reimann #10-1, Bates #9-1 and Texaco Tribal #3-1. The line will parallel an existing road or pipeline. See attached map.

Well Name	Location of Well	Lease Designation	API No.
Ute #1-15D6	768' FNL & 898' FEL NENE Section 15-T4S-R6W	14-20-H62-4741	43-013-30429
Ute #1-11D6	1898' FSL & 992' FWL NWSW Section 11-T4S-R6W	14-20-H62-4801	43-013-30482
Reimann #10-1	1749' FSL & 1928' FWL NESW Section 10-T4S-R6W	14-20-H62-4741	43-013-30460
Bates #9-1	2268' FNL & 745' FEL SENE Section 9-T4S-R6W	14-20-H62-4741	43-013-30469
Texaco Tribal #3-1	512' FNL & 1530' FEL NWNE Section 3-T4S-R6W	14-20-H62-4741	43-013-30468

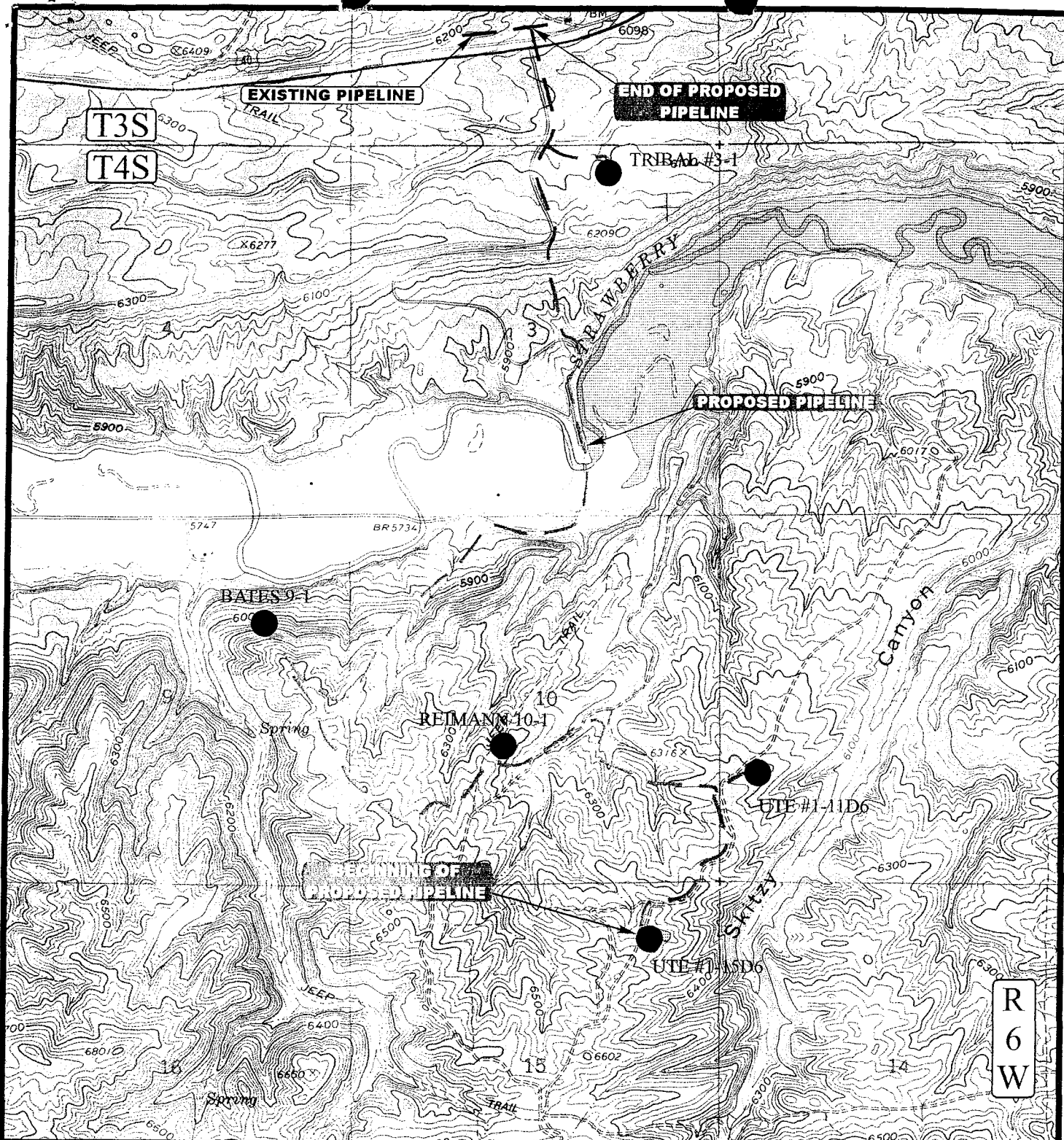


14. I hereby certify that the foregoing is true and correct

Signed Sheila Bremer Title Environmental & Safety Analyst Date 10/09/97

(This space for Federal or State office use)

APPROVED BY _____ Title _____ Date _____
Conditions of approval, if any:



APPROXIMATE TOTAL PIPELINE DISTANCE = 24,940' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



CIG EXPLORATION INC.

PIPELINE TOPO

SECTIONS 3,9,10,11,&15 T4S, R6W, U.S.B.&M.
SECTION 34, T3S R6W, U.S.B.&M.



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(801) 789-1017 * FAX (801) 789-1813
Email: uels@easilink.com

TOPOGRAPHIC
MAP

9 30 97
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 10-7-97

1
TOPO



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

February 20, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 4965

Paul McCullis
McCullis Resources
P.O. Box 3248
Littleton, Colorado 80161-3284

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Mr. McCullis:

McCullis Resources, as of February 2004, has one (1) State Lease Well and two (2) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

Page 2
February 20, 2004
Paul McCullis

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File
SITLA

	Well Name	API	Lease Type	Years Inactive
1	State 2-1-E	43-047-31553	State	10 Years 9 Months
1	Bates 9-1	43-013-30469	Fee	6 Years 2 Months
2	Reimann 10-1	43-013-30460	Fee	6 Years 2 Months

Attachment A

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <i>fee</i>
2. NAME OF OPERATOR Mountain Oil and Gas Inc. <i>N 2485</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe
3. ADDRESS OF OPERATOR: CITY / STATE / ZIP Box 1574; Roosevelt, UT 84066	PHONE NUMBER: (435) 722-2992	7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW, Section 10, Township 4S, Range 6W, USM		8. WELL NAME and NUMBER: Reimann 10-1
		9. API NUMBER: 43-013-30460
		10. FIELD AND POOL, OR WILDCAT: 65 Bluebell

COUNTY:

Duchesne Co.

STATE:

Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6-17-04	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER:
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Self-Certification Statement: Please be advised that Mountain Oil and Gas, Inc.; PO Box 1574; Roosevelt, Utah 84066 in considered to be the new operator of the Reimann 10-1 Well, and is responsible under the terms and conditions of the lease of the operations conducted upon the associated leased lands. This was effective June 17, 2004. Please send all communications regarding this lease to Mountain Oil and Gas, Inc.; PO Box 1574; Roosevelt, Utah 84066.

COPY

*Denied 10/21/04
ER, BOGM*

NAME (PLEASE PRINT)

Robert L. Ballou

TITLE

Agent, Geologist

SIGNATURE

[Signature]

DATE

June 17, 2004

(This space for State use only)

RECEIVED

JUN 22 2004

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <i>fee</i>
2. NAME OF OPERATOR Mountain Oil and Gas Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 1574 Roosevelt, Utah 84066		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 722-2992		8. WELL NAME and NUMBER: Reimann 10-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW Section 10 Township 4S Range 6W USM		9. API NUMBER: 43-01330460
		10. FIELD AND POOL, OR WILDCAT: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION		TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: June 17 2004	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:			


12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please note effective June 17th 2004 McCulliss Resources relinquishes operatorship of the Reimann 10-1 well. Please release McCullis Resources's Letter of Credit # _____ McCullis Resources relinquishes operatorship to Mountain Oil and Gas Inc. PO Box 1574 Roosevelt, Utah 84066.

COPY

N6940

*Denied 10/21/04
EL, DOGM*

NAME (PLEASE PRINT)	Paul L. McCulliss	TITLE	President
SIGNATURE		DATE	June 17, 2004

(This space for State use only)

RECEIVED
JUN 25 2004

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <i>fee</i>
2. NAME OF OPERATOR Mountain Oil and Gas Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 1574 Roosevelt, Utah 84066		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW Section 10 Township 4S Range 6W USM		8. WELL NAME and NUMBER: Reimann 10-1
PHONE NUMBER: (435) 722-2992		9. API NUMBER: 43-01330460
10. FIELD AND POOL, OR WILDCAT:		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: June 17 2004	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER:
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please note effective June 17th 2004 McCulliss Resources relinquishes operatorship of the Reimann 10-1 well. Please release McCulliss Resources's Letter of Credit # _____ McCullis Resources relinquishes operatorship to Mountain Oil and Gas Inc. PO Box 1574 Roosevelt, Utah 84066.

NAME (PLEASE PRINT)

Paul A. McCulliss

TITLE

President

SIGNATURE

DATE

June 17, 2004

(This space for State use only)

APPROVED

12/21/04

(5/2000)

Earlene Russell

Division of Oil, Gas and Mining (See Instructions on Reverse Side)
Earlene Russell, Engineering Technician

RECEIVED

JUN 25 2004

DIV. OF OIL, GAS & MINING

RECEIVED

NOV 02 2004

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>fee</u>
2. NAME OF OPERATOR Mountain Oil and Gas Inc. <u>N 2485</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Indian Tribe
3. ADDRESS OF OPERATOR: CITY / STATE / ZIP Box 1574; Roosevelt, UT 84066		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW, Section 10, Township 4S, Range 6W, USM		8. WELL NAME and NUMBER: Reimann 10-1
PHONE NUMBER: (435) 722-2992		9. API NUMBER: 43-013-30460
		10. FIELD AND POOL, OR WILDCAT: 65 Bluebell

COUNTY:
Duchesne Co.
STATE:
Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6-17-04	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER:
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Self-Certification Statement: Please be advised that Mountain Oil and Gas, Inc.; PO Box 1574; Roosevelt, Utah 84066 is considered to be the new operator of the Reimann 10-1 Well, and is responsible under the terms and conditions of the lease of the operations conducted upon the associated leased lands. This was effective June 17, 2004. Please send all communications regarding this lease to Mountain Oil and Gas, Inc.; PO Box 1574; Roosevelt, Utah 84066.

NAME (PLEASE PRINT)

Robert L. Ballou

TITLE

Agent, Geologist

SIGNATURE

[Signature]

DATE

June 17, 2004

(This space for State use only)

APPROVED 12/21/04

Earlene Russell
(5/2000) **Division of Oil, Gas and Mining** (See Instructions on Reverse Side)
Earlene Russell, Engineering Technician

RECEIVED
JUN 22 2004
DIV. OF OIL, GAS & MINING

RECEIVED
NOV 02 2004
DIV. OF OIL, GAS & MINING

1. GLH
2. CDW
3. FILE

Merger

6/17/2004

TO: (New Operator):
N2485-Mountain Oil and Gas, Inc.
PO Box 1574
Roosevelt, UT 84066
Phone: 1-(435) 722-2992

Unit:

[illegible]

n/a

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/21/2004
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/21/2004
3. Bond information entered in RBDMS on: 12/21/2004
4. Fee/State wells attached to bond in RBDMS on: 12/21/2004
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: n/a

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number F16420
2. The **FORMER** operator has requested a release of liability from their bond on: 12/20/2004
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

December 2, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5917

Mr. Paul L. McCulliss
McCulliss Resources Company
P.O. Box 3248
Littleton, Colorado 80161-3248

Re: Second Notice for Extended Shut-in and Temporary Abandoned Well
Requirements for Wells on Fee or State Leases.

Dear Mr. McCulliss:

As of November 2004, McCulliss Resources Company ("McCulliss") has one (1) State Lease Well and two (2) Fee Lease Wells (see attachment A) that are currently in non-compliance of R649-3-36. The requirements for extended shut-in or temporary abandonment (SI/TA) status have not been met for these wells.

The Utah Division of Oil, Gas & Mining (the "Division") mailed a certified letter dated February 20, 2004 (received by Paul McCulliss on 2/24/2004) explaining why these wells are in non-compliance and the necessary action McCulliss must take before these wells will be considered for extended SI/TA status. The Division received a hand written note dated April 13, 2004 from Mr. Paul McCulliss indicating your intention to assign these wells to Mountain Oil and Gas, Inc. In addition, the Division initiated telephone contact and left messages for Mr. Paul McCulliss on April 7, June 4, and August 19, 2004 regarding the above matter. Mr. Bob Ballou of Mountain Oil and Gas, Inc. contacted the Division on August 25, 2004 indicating their intention to acquire the wells but needed additional time to properly bond the wells.

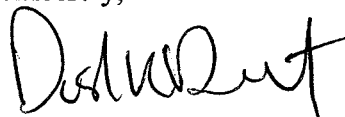
A change of operator does not alleviate the current operators or any future operators responsibility to meet the requirements of this rule. The Division did, however, allow extra time for the potential future operator to take over and submit the required information. Regardless of any potential changes in ownership, McCulliss, as operator of record, must submit the information requested by the Division and demonstrate the wells have integrity and are not a risk to public health and safety or the environment (R649-3-36-1.1-1.3).

43-013 - 30460
fos 6020 Sec 10

Page 2
Mr. Paul L. McCulliss
December 2, 2004

If the Division does not receive the required information by written response within 30 days of the date of this notice, further action will be initiated by issuing a Notice of Violation (NOV) for each well in non-compliance. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read "Dustin K. Doucet". The signature is fluid and cursive, with the first name "Dustin" being more prominent.

Dustin K. Doucet
Petroleum Engineer

DKD:jc
cc: John Baza
Well File
SITLA
Mountain Oil and Gas, Inc.

	Well Name	API	Lease Type	Years Inactive
1	State 2-1-E	43-047-31553	State	11 Years 8 Months
1	Bates 9-1	43-013-30469	Fee	7 Years 0 Months
2	Reimann 10-1	43-013-30460	Fee	7 Years 0 Months

Attachment A

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: Surface, Trbl ls expired <i>Fee</i>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Expired
		7. UNIT or CA AGREEMENT NAME: 9C195
		8. WELL NAME and NUMBER: Reimann 10-1
1. TYPE OF WELL OIL WELL X GAS WELL OTHER	9. API NUMBER: 43-013-30460-00-00	10. FIELD AND POOL, OR WILDCAT: Cedar Rim
2. NAME OF OPERATOR Mountain Oil and Gas, Inc.	PHONE NUMBER: (435) 722-2992	
3. ADDRESS OF OPERATOR: PO Box 1574; Roosevelt, Utah 84066		

4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/OTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 04S 06W 10	COUNTY: Duchesne STATE: Utah
--	---

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Mountain Oil and Gas, Inc. intends to pull sucker rods out of tubing and replace low pressure Radagen with BA adapter to better secure the pressure while re-leasing the leases in this section.

NAME (PLEASE PRINT) Kari Taylor-Schreck	TITLE Production Assist.
SIGNATURE <i>Kari Taylor-Schreck</i>	DATE 12/20/05

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

THIS SUNDRY IS BEING RETURNED; INSUFFICIENT DATA WAS SUBMITTED TO APPROVE THE REQUESTED ACTION.

RECEIVED
DEC 21 2005
January 27, 2006
Utah Division of Oil, Gas and Mining

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

43,013,30460

ROUTING

1. DJJ

2. CDW

Change of Operator (Well Sold)

X - Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/1/2006

FROM: (Old Operator): N2485-Mountain Oil & Gas, Inc. PO Box 1776 Ballard, UT 84066 Phone: 1 (435) 722-2992	TO: (New Operator): N3130-Homeland Gas & Oil, Inc. PO Box 1776 Ballard, UT 84066 Phone: 1 (435) 722-2992
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 10/30/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 10/30/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/19/2006
- a. Is the new operator registered in the State of Utah: yes Business Number: 6174726-0143
- 5a. (R649-9-2)Waste Management Plan has been received on: Requested 10/31/06
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on:
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA not yet
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 10/31/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/31/2006
- Bond information entered in RBDMS on: 10/31/2006
- Fee/State wells attached to bond in RBDMS on: 10/31/2006
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: 310279523
 - Indian well(s) covered by Bond Number: SB-509795
 - a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number F16420
 - b. The **FORMER** operator has requested a release of liability from their bond on: n/a
- The Division sent response by letter on:

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 10/31/2006

COMMENTS: Homeland Gas and Oil, Inc was added as a principal on the Mountain Oil & Gas Inc Bond - no release possible. All wells moved to Homeland, except three "Stripper Wells".

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1 TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5 LEASE DESIGNATION AND SERIAL NUMBER see attached list
2 NAME OF OPERATOR Homeland Gas & Oil		6 IF INDIAN, ALLOTTEE OR TRIBE NAME: see attached list
3 ADDRESS OF OPERATOR 3980 East Main, HWY 40 Ballard UT 84066		7 UNIT or CA AGREEMENT NAME: see attached list
4 LOCATION OF WELL FOOTAGES AT SURFACE see attached list QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN		8 WELL NAME and NUMBER: see attached list
PHONE NUMBER: (435) 722-2992		9 API NUMBER: attached
		10 FIELD AND POOL, OR WILDCAT: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion _____			

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective January 1, 2006, operation of attached well list was taken over by:

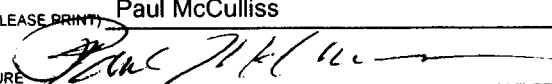
Homeland Gas & Oil
3980 E Main ST HWY 40 N3130
Ballard, UT 84066

Previous operator was:

Mountain Oil & Gas N2485
PO Box 1574
Roosevelt, UT 84066

BIA Bond: SB-509795 (to be transferred from Mountain Oil & Gas)
BLM Bond: 0310279523 (to be transferred from Mountain Oil & Gas)
SITLA Bond: Dated 09/14/04 (to be transferred from Mountain Oil & Gas)

John Carson, attorney in fact,
Mountain Oil & Gas, Inc.

NAME (PLEASE PRINT) Paul McCulliss TITLE Director
SIGNATURE  DATE 10/26/06

(This space for State use only)

APPROVED 10/31/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
OCT 30 2006

DIV. OF OIL, GAS & MINING

well_name	sec	tpw	rng	api	entity	qtr_qtr	well	stat	lease	l_num
UTE TRIBAL 1-34B	34	010N	020W	4301310494	775	SWNE	OW	P	Indian	14-20-H62-1704
WESLEY BASTIAN FEE 1	08	010S	010W	4301310496	942	SWNE	OW	S	Fee	FEE
UTE TRIBE 1-13	13	050S	040W	4301320073	1225	SWSW	OW	P	Indian	14-20-H62-4894
UTE TRIBAL 2	08	010S	010W	4301330020	690	NWSW	OW	S	Indian	14-20-H62-2117
UTE TRIBAL 2-35B	35	010N	020W	4301330106	705	NWSE	OW	P	Indian	14-20-H62-1614
DUSTIN 1	22	020S	030W	4301330122	1092	NESW	OW	S	Fee	FEE
HANSEN 1	23	020S	030W	4301330161	1093	SENE	OW	P	Fee	FEE
UTE TRIBAL 1-26B	26	010N	020W	4301330168	715	SWNE	OW	P	Indian	INDIAN
MYRIN RANCH 1	20	020S	030W	4301330176	1091	SWNE	OW	S	Fee	FEE
KNIGHT 1	28	020S	030W	4301330184	1090	SENE	OW	S	Fee	FEE
UTE 1-12B6	12	020S	060W	4301330268	1866	SENE	OW	S	Indian	14-20-H62-4951
JOSIE 1-3B5	03	020S	050W	4301330273	215	SENE	OW	S	Fee	FEE
V MILES 1	20	010S	040W	4301330275	740	NWNE	OW	S	Fee	FEE
A RUST 2	22	010S	040W	4301330290	745	NENE	OW	S	Fee	FEE
SINK DRAW 7	21	030S	070W	4301330302	6360	SENE	OW	S	Indian	14-20-H62-1141
UTE TRIBAL 1-32Z1	32	010N	010W	4301330324	755	NESW	OW	S	Indian	14-20-H62-2457
REIMANN 10-1	10	040S	060W	4301330460	6410	NESW	OW	S	Fee	FEE
TEXACO TRIBAL 3-1	03	040S	060W	4301330468	10959	NWNE	OW	S	Indian	14-20-H62-1939
BATES 9-1	09	040S	060W	4301330469	530	SENE	OW	S	Fee	FEE
UTE 1-14D6	14	040S	060W	4301330480	5275	SWNE	OW	P	Indian	14-20-H62-4893
1-31C5	31	030S	050W	4301330501	2330	SENE	OW	P	Indian	14-20-H62-4890
JOSIE 1A-3B5	03	020S	050W	4301330677	216	NESW	OW	S	Fee	FEE
LAWSON 1-21A1	21	010S	010W	4301330738	935	NESW	OW	S	Fee	FEE
UTE TRIBAL 11-25	25	040S	030W	4301330743	2645	NESW	OW	S	Indian	14-20-H62-4892
UTE TRIBAL 16-2	02	050S	040W	4301330756	2610	SESE	OW	P	Indian	14-20-H62-3404
UTE TRIBAL 7-24	24	040S	030W	4301330768	2625	SWNE	OW	P	Indian	14-20-H62-4891
UTE TRIBAL 24-12	24	050S	040W	4301330830	9104	NWSW	OW	S	Indian	14-20-H62-4716
UTE TRIBAL 13-15X	13	050S	040W	4301330844	9100	SWSE	OW	S	Indian	14-20-H62-4715
GUSHER 2-17B1	17	020S	010W	4301330846	8436	NENE	OW	S	Fee	FEE
COYOTE UTE TRIBAL 10-9	09	040S	040W	4301330861	9900	NWSE	OW	S	Indian	I-109-IND-5351
BROWN 3-2	03	010S	020W	4301330986	10290	NWNW	GW	P	Fee	FEE
L E FONT 3-27Z2	27	010N	020W	4301331052	9464	SESE	OW	P	Indian	14-20-H62-4733
BADGER UTE H E MANN 2-28Z2	28	010N	020W	4301331053	9459	SWSE	OW	P	Indian	14-20-H62-4305
WALKER 2-24A5	24	010S	050W	4301331085	218	SESW	OW	S	Fee	FEE
DYE-HALL 2-21A1	21	010S	010W	4301331163	10713	SENE	OW	S	Fee	FEE
BASTIAN 3-8A1	08	010S	010W	4301331181	10758	NWSE	OW	P	Fee	FEE
RUST 3-22A4	22	010S	040W	4301331266	11194	NESW	OW	S	Fee	FEE
BEND UNIT 2	08	070S	220E	4304715416	2475	NENE	GW	S	Federal	U-0647
MONADA STATE 1	02	060S	190E	4304730080	11089	NWNW	OW	PA	State	ML-40730
UTE TRIBAL 1-16A1E	16	010S	010E	4304730231	780	SESE	OW	P	Indian	14-20-H62-4888
C J HACKFORD 1-23	23	010S	010E	4304730279	790	SENE	OW	S	Fee	FEE
UTE TRIBAL 1-14-B1E	14	020S	010E	4304730774	4521	NWNE	OW	P	Indian	14-20-H62-2931
RIVER JUNCTION 11-18	18	090S	200E	4304731316	9705	NESW	OW	S	Federal	U-27041A
BRENNAN FED 4-15	15	070S	200E	4304731332	9760	NESE	GW	S	Federal	U-14219
PENNY 16-7	07	090S	200E	4304731360	2680	SESE	OW	S	Federal	U-27041
HORSESHOE BEND 34-E	34	060S	210E	4304731595	10203	SWNW	OW	S	Federal	U-74499



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 1, 2008

CERTIFIED MAIL NO.: 7004 2510 0004 1824 6435

Mr. Brian Jones
Homeland Gas & Oil Inc.
825 East Speer Blvd, Suite #100 E
Denver, CO 80218

43 013 30460
Reimann 10-1
4S 6W 10

Re: **SECOND NOTICE: Extended Shut-in and Temporarily Abandoned Requirements for Wells on Fee or State Leases**

Dear Mr. Jones:

Homeland Gas & Oil Inc. ("Homeland") has seven (7) Fee Lease Wells (see attachment A) that are currently in non-compliance for extended shut-in and temporary abandonment (SI/TA) status. Wells SI/TA beyond twelve (12) consecutive months require the filing of a Sundry Notice in accordance with R649-3-36-1 for Utah Division of Oil, Gas & Mining ("Division") approval. Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3).

This is a second notice for wells 1 through 3 listed on Attachment A. The Division notified the previous operators, Mountain Oil, Flying J Oil, and McCullis Resources, on several occasions by certified mail about these wells non-compliance issues. Several plans to produce or plug were submitted, but no action has been taken to date on these wells. Homelands responsibility to comply with the above listed rules was assumed at current level when ownership was transferred. The Division has been holding several meetings with Homeland in regards to these wells, but no work has taken place. Immediate action is required on these wells. Please submit your plans to produce or plug these wells. If this is not addressed within 30 days, a Notice of Violation will be issued for these wells. A similar response is required for the other four wells listed in Attachment A.



Page 2
October 1, 2008
Mr. Jones

For extended SI/TA consideration the operator shall provide the Division with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3)

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions will be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

JP/js
Enclosure

cc: Compliance File
Well File

Attachment A

	Well Name	API	Lease Type	Years Inactive
1	REIMANN 10-1	43-013-30460	FEE	3 Years 9 Months
2	BATES 9-1	43-013-30469	FEE	3 Years 9 Months
3	WALKER 2-24A5	43-013-31085	FEE	19 Years 6 Months
4	HANSEN 1	43-013-30161	FEE	1 Year 6 Months
5	WILKINS 1-24A5	43-013-30320	FEE	1 Year 11 Months
6	DYE-HALL 2-21A1	43-013-31163	FEE	2 Years 2 Months
7	FAUSETT 1-26A1E	43-047-30821	FEE	1 Year 5 Months

UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

Oil and Gas Program

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

To the following operator:

Name: HOMELAND GAS & OIL INC.

4S 6W 10

Well(s) or Site(s): 1.) REIMANN 10-1 API #: 43-013-30460

2.) BATES 9-1 43-013-30469

3.) WALKER 2-24A5 43-013-31085

Date and Time of Inspection/Violation: December 22, 2008

Mailing Address: Attn: Brian Jones

15587 Hurron St

Broomfield, CO 80020

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):

Rule R649-3-36, Shut-in and Temporarily Abandoned Wells – The above referenced wells have been Shut-in or Temporarily Abandoned (SI/TA) over 5 years. According to Rule R649-3-36, the operator is required to supply the Division with reasons for extended SI/TA, the length of time for extended SI/TA and proof of well bore integrity for every well SI/TA over 12 consecutive months. After 5 years of continued SI/TA, the wells are to be plugged unless good cause is supplied to the Division for extended SI/TA in addition to the required information just mentioned.

Homeland Oil & Gas Inc.

December 22, 2008

Notice of Violation

The Division has initiated several contacts with Homeland Gas & Oil Inc. (Homeland) requesting required documents and action per R649-3-36. The above listed wells had a second notice sent out via certified mail on October 29, 2008 to Homeland. Prior to that, several plans to produce or plug were submitted to the Division with no action performed. The Division has also had numerous other communications by phone and meeting with Homeland. Our records show nothing has been done to date to move these wells out of violation status.

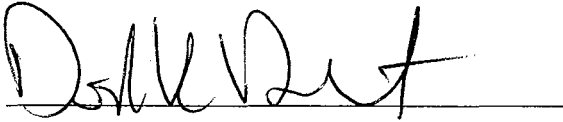
Action: For the wells subject to this notice, Homeland shall either submit the information required by R649-3-36, plug and abandon or place the well on production.

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator. Further actions may include initiation of agency actions to order full cost bonding and plugging and abandonment of wells and requests for bond forfeiture and civil penalties.

Compliance Deadline: January 23, 2009

Date of Service Mailing: December 22, 2008

CERTIFIED MAIL NO: 7004 2510 0004 1824 6619



Division's Representative

Operator or Representative

(If presented in person)

Cc: Well Files

Operator Compliance File

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Homeland Gas & Oil, LTD		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1776 CITY Roosevelt STATE UT ZIP 84066		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749' FSL & 1928' FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 10 4S 6W		8. WELL NAME and NUMBER: Reimann 10-1
PHONE NUMBER: (435) 722-2992		9. API NUMBER: 4301330460
COUNTY: Duchesne		10. FIELD AND POOL, OR WILDCAT: Altamont
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 9/15/2010	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Mechanical Integrity Test, Shut In
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Due to pending capital acquisitions, Homeland Gas & Oil, LTDS (HGO) is requesting a one year extension for shut in. HGO further proposes to secure the well and perform a MIT using the following procedure.

COPY SENT TO OPERATOR

- Step 1) Move in portable frac disposal tank to receive fluids for disposal and blow well dead.
Step 2) RUSU, use hot oil truck to pump H2O into casing, prepare to pull and lay down rods.
Step 3) Release rod pump and flush water down tubing if needed, circulate the well bore clean.
Step 4) Release anchors. POOH with tubing anchor and lay down anchor.
Step 5) Pick up R-3 Baker pkr. Trip into casing and set 100' above existing perforations. Pressure test well per State Rule 649-5-5.
Step 6) Hang off tubing. Remove BOP's and NU new wellhead, remove all rod pack-off equipment. Put in valves and bull plug. Secure site and RDMOSU.

Date: 9/14/2010
Initials: KS

*****NOTE STEP %***** In the event the MIT test won't hold per the State Rule 649-5-5., HGO will locate potential areas of lost pressure and move up casing where pressure test will hold, set R-3 Baker pkr 200' above lost pressure location and retest.

See attached State Rule 649-5-5.

NAME (PLEASE PRINT) RaSchelle Richens TITLE Regulatory Affairs
SIGNATURE RaSchelle Richens DATE 8/2/2010

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

9/7/10
[Signature]
(5/2000)

(See Instructions on Reverse Side)

* For MIT & Seaming work - SI/TA request should be submitted after results of MIT are obtained

RECEIVED

AUG 10 2010

DIV. OF OIL, GAS & MINING

R649-5-5. Testing and Monitoring of Injection Wells.

1. Before operating a new injection well, the casing shall be tested to a pressure not less than the maximum authorized injection pressure, or to a pressure of 300 psi, whichever is greater.
2. Before operating an existing well newly converted to an injection well, the casing outside the tubing shall be tested to a pressure not less than the maximum authorized injection pressure, or to a pressure of 1,000 psi, whichever is lesser, provided that each well shall be tested to a minimum pressure of 300 psi.
3. In order to demonstrate continuing mechanical integrity after commencement of injection operations, all injection wells shall be pressure tested or monitored as follows:
 - 3.1. Pressure Test. The casing-tubing annulus above the packer shall be pressure tested not less than once each five years to a pressure equal to the maximum authorized injection pressure or to a pressure of 1,000 psi, whichever is lesser, provided that no test pressure shall be less than 300 psi. A report documenting the test results shall be submitted to the division.
 - 3.2. Monitoring. If approved by the director, and in lieu of the pressure testing requirement, the operator may monitor the pressure of the casing-tubing annulus monthly during actual injection operations and report the results to the division.
 - 3.3. Other test procedures or devices such as tracer surveys, temperature logs or noise logs may be required by the division on a case-by-case basis.
 - 3.4. The operator shall sample and analyze the fluids injected in each disposal well or enhanced recovery project at sufficiently frequent time intervals to yield data representative of fluid characteristics, and no less frequently than every year.
 - 3.5. The operator shall submit a copy of the fluid analysis to the division with the Annual Fluid Injection Report, UIC Form 4.



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 20, 2010

Certified Mail No. 7004 1160 0003 0190 4802

Craig Phillips
Homeland Gas & Oil, Inc
P.O. Box 1574
Roosevelt, Utah 84066

43,013 30460
Reimann 10-1
4S 6W 10

Subject: Homeland Gas and Oil, Inc. Escrow Account

Dear Mr. Phillips:

This letter is in response to the e-mail you sent me on December 8, 2010, regarding Homeland Gas & Oil, Inc. (Homeland) proposal to place \$280,000.00 in an escrow account specifically for the plugging and performing of Mechanical Integrity Tests (MIT's) on Shut-in and Temporarily Abandoned Wells (SI/TA) currently operated by Homeland.

The Division of Oil, Gas and Mining (Division) grants Homeland 30 days from receipt of this letter to submit a formal escrow account agreement and plan of action, for Division review and approval, for the eighteen (18) Homeland Fee and State operated wells (see Attachment A – Subject Wells) in non-compliance with Utah Oil and Gas Conservation General Rule R649-3-36.

The Division requests that Homeland's escrow account agreement and/or plan of action submittals include, but not restricted to the following:

- Prioritized work plans for all eighteen Shut-in and Temporarily Abandoned Wells.
- Identify and prioritize wells with landowner complaints.
- Identify the specific wells to be plugged and plugging deadlines for each well.
- Identify the specific wells for MIT and MIT performance deadlines for each well.
- Plan for any well failing a MIT.
- Proof of funding.
- When the funds will be available for placement into the escrow account.
- Parameters for withdrawals from the escrow account.
- Additional placement of funds into the escrow account.
- Show that the Homeland and the escrow manager have no conflict of interest.



Page 2
Homeland Gas and Oil, Inc. Escrow Account
December 20, 2010

Questions regarding this matter may be directed to Mr. Clinton Dworshak, Compliance Manager, at 801 538-5280, or to Mr. Dustin Doucet, Engineer, at 801 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read "Clinton Dworshak". The signature is fluid and cursive, with the first name "Clinton" and last name "Dworshak" clearly distinguishable.

Clinton Dworshak
Compliance Manager

CLD/js

Enclosures

cc: Compliance File

Well Files

Steve Alder, Attorney General

John Rogers, Associate Director

Dustin Doucet, Petroleum Engineer

Randy Thackeray, Lead Auditor

N:\O&G Reviewed Docs\ChronFile\Compliance

Attachment A

Subject Wells

Well Name	API	SI/TA (Years and Months) 10/2010
Brown 3-2	43-013-30986	3 years 0 Months
Fausett 1-26A1E	43-047-30821	3 years 7 Months
Myrin Ranch 1	43-013-30176	4 years 1 Month
Wilkins 1-24A5	43-013-30320	4 Years 1 Month
Wesley Bastian Fee 1	43-013-10496	5 Years 2 Months
Josie 1A-3B5	43-013-30677	5 Years 5 Months
Dye-Hall 2-21A1	43-013-31163	5 Years 6 Months
Bates 9-1	43-013-30469	5 Years 11 Months
V Miles 1	43-013-30275	6 Years 3 Months
Rust 3-22A4	43-013-31266	6 Years 6 Months
Gusher 2-17B1	43-013-30846	6 Years 8 Months
CJ Hackford 1-23	43-047-30279	6 years 9 Months
Knight 1	43-013-30184	7 Years 0 Months
Josie 1-3B5	43-013-30273	9 Years 5 Months
A Rust 2	43-013-30290	10 Years 4 Months
→ Reiman 10-1	43-013-30460	14 years 0 Months
Dustin 1	43-013-30122	17 Years 3 Months
Walker 2-24A5	43-013-31085	20 years 8 Months

7004 1160 0003 0190 4802

U.S. Postal Service™	
CERTIFIED MAIL™ RECEIPT	
<i>(Domestic Mail Only; No Insurance Coverage Provided)</i>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	
Sent To CRAIG PHILLIPS Street, Apt. No. or PO Box No. HOMELAND GAS & OIL INC City, State, ZIP P O BOX 1574 ROOSEVELT UT 84066	
PS Form 3800, June 2002 See Reverse for Instructions	

12/20/10
Postmark Here

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

CRAIG PHILLIPS
HOMELAND GAS & OIL INC
P O BOX 1574
ROOSEVELT UT 84066

2. Article Number
 (Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent
☒ Addressee

B. Received by (Printed Name) **Amber Simpson** C. Date of Delivery **12/27/10**

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

7004 1160 0003 0190 4802

UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

Oil and Gas Program

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

NOTICE OF VIOLATION
STATE OF UTAH
OIL AND GAS CONSERVATION ACT

To the following operator:

Name: HOMELAND GAS AND OIL, INC.

Well(s) or Site(s): 1.) BATES 9-1 API #: 43-013-30469

2.) REIMANN 10-1 43-013-30460 4S 6W 10

3.) DUSTIN 1 43-013-30122

4.) A RUST 2 43-013-30290

5.) GUSHER 2-17B1 43-013-30846

6.) RUST 3-22A4 43-013-31266

7.) C J HACKFORD 1-23 43-047-30279

8.) V MILES 1 43-013-30275

9.) WILKINS 1-24-A5 43-013-30320

10.) JOSIE 1A-3B5 43-013-30677

11.) DYE-HALL 2-21A1 43-013-31163

12.) FAUSET 1-26A1E 43-047-30821

13.) BROWN 3-2 43-013-30986

Date and Time of Inspection/Violation: December 28, 2012

Mailing Address: Attn: Craig Phillips

P.O. BOX 1776

Roosevelt, UT 84066

Under the authority of the Utah Oil and Gas Conservation Act, Section 40-6 et. Seq., Utah Code Annotated, 1953, as amended, the undersigned authorized representative of the Division of Oil, Gas and Mining (Division) has conducted an inspection of the above described site and/or records on the above date and has found alleged violation(s) of the act, rules or permit conditions as described below.

Description of Violation(s):

Rule R649-3-36, *Shut-in and Temporarily Abandoned Wells* – According to Rule R649-3-36, the operator is required to supply the Division with reasons for extended SI/TA, the length of time for extended SI/TA and proof of well bore integrity for every well SI/TA over 12 consecutive months. After 5 years of continued SI/TA, the wells are to be plugged unless good cause is supplied to the Division for extended SI/TA in addition to the required information just mentioned.

Rule R649-3-4.3, *Bonding* - If the division finds that a well subject to this bonding rule is in violation of Rule R649-3-36., Shut-in and Temporarily Abandoned Wells, the division shall require a bond amount for the applicable well in the amount of actual plugging and site restoration costs.

Rule R649-3-4.4.1. *Bonding* - Within 30 days of notification by the division, the operator shall submit to the division an estimate of plugging and site restoration costs for division review and approval.

UTAH DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas & Mining

Oil and Gas Program

1594 West North Temple, Suite 1210, Box 145801

Salt Lake City, Utah 84114-5801

(801) 538-5340 Phone

(801) 359-3940 Fax

The Division has initiated several contacts with Homeland Gas and Oil, Inc. (Homeland) requesting required documents and action per R649-3-36. All wells listed have previously been issued SI/TA Notices and Notices of Violation without the required work being accomplished or information submitted to bring these wells into compliance.

These wells are in violation of R-649-3-36 as listed above. The Division requires Homeland to put up full cost bonding for all wells in violation above per R649-3-4. It is also mandatory that Homeland submit all documentation as required by R649-3-36 concerning shut-in and temporarily abandoned wells.

Immediate Action: For the wells subject to this notice, Homeland shall fulfill full cost bonding requirements for each well. Homeland shall also submit all information as required by R649-3-36 or plug and abandon or place the wells on production.

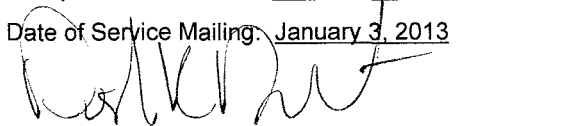
- * **Fines may be levied up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A. 40-6-11, part 4.**

This notice shall remain in effect until it is modified, terminated, or vacated by a written notice of an authorized representative of the director of the Division of Oil, Gas and Mining. Failure to comply with this notice will result in the Division pursuing further actions against said operator. Further actions may include initiation of agency actions to order full cost bonding and plugging and abandonment of wells and requests for bond forfeiture and civil penalties.

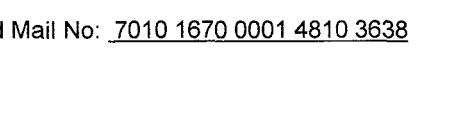
Compliance Deadline: February 8, 2013

Date of Service Mailing: January 3, 2013

Certified Mail No: 7010 1670 0001 4810 3638



Division's Representative



Operator or Representative

(If presented in person)

cc: Compliance File
Well Files

6/2005



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS & MINING

IN THE MATTER OF:

Homeland Gas and Oil, Inc. operations at:

Bates 9-1 located at Sec. 9, T4S, R6W;
Riemann 10-1 located at Sec. 10, T4S,
R6W; Dustin 1 located at Sec. 22, T2S,
R3W; A Rust 2 located at Sec. 22, T1S,
R4W; Gusher 2-17B1 located at Sec. 17,
T2S, R1W; Rust 3-22A4 located at Sec.
22, T1S, R4W; V Miles 1 located at Sec.
20, T1S, R4W; Josie 1A-3B5 located at
Sec. 3, T2S, R5W; Wilkins 1-24A5
located at Sec. 24, T1S, R5W; Dye-Hall
2-21A1 located at Sec. 21, T1S, R1W;
Brown 3-2 located at Sec. 3, T1S, R2W;
CJ Hackford 1-23 located at Sec. 23, T1S,
R1E; and Fausett 1-26A1E located at Sec.
26, T1S, R1E.

43 013 30460

NOTICE OF AGENCY ACTION

Case No. SI/TA 102

1. This Notice of Agency Action is to inform Homeland Gas and Oil, Inc. ("Homeland") that the Utah Division of Oil, Gas & Mining ("Division") is commencing an administrative adjudicative proceeding to consider appropriate action to be taken pursuant to Utah Admin. Code R649-3-36 for your failure to comply with a Notice of Violation ("NOV") issued January 3, 2013, for the following wells:



Well Name	API Number	Location	
		Section	Twn-Rng
Bates 9-1	43-013-30469	9	4S-6W
Riemann 10-1	43-013-30460	10	4S-6W
Dustin 1	43-013-30122	22	2S-3W
A Rust 2	43-013-30290	22	1S-4W
Gusher 2-17B1	43-013-30846	17	2S-1W
Rust 3-22A4	43-013-31266	22	1S-4W
V Miles 1	43-013-30275	20	1S-4W
Josie 1A-3B5	43-013-30677	3	2S-5W
Wilkins 1-24A5	43-013-30320	24	1S-5W
Dye-Hall 2-21A1	43-013-31163	21	1S-1W
Brown 3-2	43-013-30986	3	1S-2W
CJ Hackford 1-23	43-047-30279	23	1S-1E
Fausett 1-26A1E	43-047-30821	26	1S-1E

This Division action is an informal adjudicative proceeding and shall be conducted according to the provisions of Utah Code Ann. §§ 40-6-10, 63G-4-202, and 63G-4-203; and Utah Admin. Code R649-10 *et seq.*

2. The Division issued a NOV on January 3, 2013, compelling you to provide full cost bonding on all of the listed wells, and one of the following actions: 1) a written explanation for each well's status per the terms of Utah Admin. Code R649-3-36; 2) return each well to production; or 3) plug and abandon the wells. The NOV is attached as an exhibit to this Notice of Agency Action.

3. The purpose of this informal adjudication is to determine what action you are required to take in order to comply with R649-3-36, the Oil and Gas Conservation Act, and other applicable regulations. This informal adjudication also provides you an opportunity for

a hearing so that you may present evidence and testimony, if any, concerning your noncompliance with the NOV.

4. You are entitled to request a hearing to review the claims and recommendations in this Notice of Agency Action. The request for hearing **must be made in writing and received by the Division no later than 10 calendar days from the date of this Notice.** *See* Utah Admin. Code R649-10-3.2.1.6 and R649-10-4.1.2. Upon receiving a hearing request, the Division will schedule a date and time for the hearing. Failure to respond to this Notice within 10 calendar days to request a hearing may result in a Default Order being entered against you granting the relief recommended by the Division. *See* Utah Admin. Code R649-10-5.

5. Pursuant to Utah Admin. Code R649-10-2.9, the Director has designated Cameron Johnson, Assistant Attorney General, as the Presiding Officer in this matter. Clinton Dworshak, Compliance Manager, will represent the Division. Attendance at the hearing is required either in person, over the phone, or via written testimony. Failure to attend and participate in a scheduled hearing may result in a Default Order being entered against you granting the relief recommended by the Division. *See* Utah Admin. Code R649-10-5.

6. If you have any information, evidence, or statements that should be reviewed prior to the hearing, you should submit that information to the Division at the address noted below so that it may be considered and made a part of the record.

7. Upon request and to the extent permitted by law, the Division will provide you with any information or documents in its files relevant to this proceeding.

8. If after the hearing the Presiding Officer determines that you failed to adhere to the directives of the NOV, he may enter a Decision and Order requiring you to take additional actions, including, but not limited to: posting additional amounts of bonding, immediate plugging of the well, or other measures that are deemed to be appropriate under Utah Admin. Code R649-3-1 through -36.

9. To preserve the Division's ability to effectively manage the State's oil and gas resources, the Division is recommending the following actions:

- a. Plugging Sundries for the 13 state or fee shut-in wells; and**
- b. A plugging schedule for the wells shall be submitted to the Division by April 30, 2013.**

10. Following the hearing, and after considering all the evidence presented, the Presiding Officer will issue a written Decision and Order detailing the legal and factual rationale for the decision. The final Decision and Order may be appealed to the Board of Oil, Gas & Mining in accordance with the provisions of Utah Admin. Code R649-10-6.

11. All written communication concerning this Notice of Agency Action shall be identified by the case name and number set forth in the caption at the top of this Notice, and shall be directed to Jean Sweet, Division of Oil, Gas & Mining, P.O. Box 145801, Salt Lake City, Utah 84114-5801, phone: 801-538-5329, jsweet@utah.gov.

DATED this 12th day of March, 2013.

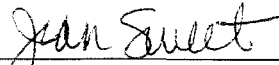

Cameron Johnson
Assistant Attorney General
1594 West North Temple, Suite 300
Salt Lake City, Utah 84101
801.518.3988
cameronjohnson@utah.gov

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 12th day of March, 2013, a true and correct copy of the foregoing **NOTICE OF AGENCY ACTION** was served via certified mail on the following person(s):

Homeland Gas and Oil, Inc.
Attn: Craig Phillips
P.O. Box 1776
Roosevelt, Utah 84066

Certified Mail #7010 1670 0001 4810 3928



Jean Sweet
Division of Oil, Gas & Mining

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: HOMELAND GAS & OIL, INC.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1776 , Roosevelt, UT, 84066		8. WELL NAME and NUMBER: REIMANN 10-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 10 Township: 04.0S Range: 06.0W Meridian: U		9. API NUMBER: 43013304600000
PHONE NUMBER: 435 722-2992 Ext		9. FIELD and POOL or WILDCAT: ALTAMONT
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 5/31/2012	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="text-align: center; margin-top: 20px;"> TBG PSI 275 CSG PSI 50 </div> <div style="text-align: right; margin-top: 20px;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY June 19, 2013 </div>		
NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A	DATE 6/3/2013	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: HOMELAND GAS & OIL, INC.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1776 , Roosevelt, UT, 84066		8. WELL NAME and NUMBER: REIMANN 10-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 10 Township: 04.0S Range: 06.0W Meridian: U		9. API NUMBER: 43013304600000
PHONE NUMBER: 435 722-2992 Ext		9. FIELD and POOL or WILDCAT: ALTAMONT
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/14/2013	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> CONVERT WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="text-align: center; margin-top: 20px;"> TBG 275 PSI CSG 50 PSI </div> <div style="text-align: right; margin-top: 20px;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 14, 2013 </div>		
NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A	DATE 8/14/2013	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
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3. ADDRESS OF OPERATOR: P.O. Box 1776 , Roosevelt, UT, 84066		8. WELL NAME and NUMBER: REIMANN 10-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 10 Township: 04.0S Range: 06.0W Meridian: U		9. API NUMBER: 43013304600000
PHONE NUMBER: 435 722-2992 Ext		9. FIELD and POOL or WILDCAT: ALTAMONT
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/4/2013	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
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	<input type="checkbox"/> PLUG AND ABANDON	
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	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
	OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="text-align: center;"> PSI TBG 275 CSG 50 </div> <div style="text-align: right; margin-top: 20px;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY November 18, 2013 </div>		
NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A	DATE 11/6/2013	



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 2, 2014

Charles Cox via FedEx
Attorney
1432 South Carson Avenue
Tulsa, OK 74119

Kevin Sylla, Managing Director via FedEx
Tiger Energy Partners
6400 Canoga Ave., Suite 360
Woodland Hills, CA 91367

Craig Phillips, President via FedEx
Homeland Gas & Oil
P.O. Box 1776
Roosevelt, Utah 84066

43 013 30460
Reimann 10-1
4S 6W 10

DIVISION ORDER

Subject: Stipulated Order in Cause No. SI/TA-102

Dear Sirs,

In May 2013, Tiger Energy Partners ("Tiger"), Homeland Gas and Oil, Inc. ("Homeland"), and the Utah Division of Oil, Gas and Mining ("Division") entered into a Stipulated Order. The Stipulated Order included a "Production and Plugging Schedule" requiring either Tiger or Homeland to begin rework operations to either place on production or plug at least one of the twelve (12) Subject Wells¹ starting July 1, 2013. Our understanding was that once a rig was on a well, it would remain until the well was capable of production or properly plugged and then would move to the next Subject Well. The schedule also required commencement of rework operations at a new Subject Well every forty-five (45) days thereafter.

Homeland has transferred six (6) of the Subject Wells (Dye-Hall 2-21A1, Gusher 2-17B1, Rust 3-22A4, Dustin 1, Rust 3-22A4 and V Miles 1) to Tiger over the past year. The Division initially understood Tiger's need for additional time to acquire sufficient mineral leases in the subject drilling units before beginning rework operations on any of the transferred wells. However, while the Division allowed Tiger the flexibility to acquire mineral leases, to date, Tiger has only done rework operations on one of the Subject Wells (the Gusher 2-17B1 well during April of this year). Tiger submitted a sundry dated April 25, 2014 stating the Gusher 2-17B1 well was capable of producing in paying quantities and awaiting the arrival of a more economic work over unit to remove a stuck packer. To the Divisions' knowledge the work-over rig used on the Gusher 2-17B1 was not moved to another Subject Well, as contemplated by the Stipulated Order.

The Division asked that Tiger keep the Division informed with regular updates to show they were actively and continuously working to improve their lease position. The Division also requested

¹ Bates9-1, Reimann 10-1, Dustin 1, A Rust 2, Gusher 2-17B1, Rust 3-22A4, V Miles 1, Josie 1A-3B5, Wilkins 1-24A5, Dye-Hall 2-21A1, C J Hackford 1-23, Fausett 1-26A1E

Tiger provide a list of which, if any, wells they would not have Homeland transfer. Tiger never submitted land updates or a list of wells that would not be transferred.

The Division sent a letter dated December 10, 2013 reminding Tiger of its obligation to commence rework operations on these wells and the Division would reevaluate depth bonding for the wells after the first of the year. In response, Tiger transferred additional wells in order to attempt to comply with the Production and Plugging Schedule through February 15, 2014. Since December, however, Tiger has not transferred any additional wells in order to meet the April 1, 2014 or the May 15, 2014 dates on the Production and Plugging Schedule.

Therefore, Tiger must provide individual depth bonding for the six (6) subject wells it operates (Dye-Hall 2-21A1, Gusher 2-17B1, Rust 3-22A4, Dustin 1, Rust 3-22A4 and V Miles 1) by June 30, 2014. Depth bonding for the six (6) wells is \$360,000 total. Since Tiger currently has a \$120,000 bond with the State, an additional \$240,000 is required at this time. If Tiger attempts to transfer additional Subject Wells from Homeland, such transfer must be accompanied by a \$60,000 individual well bond for each well and must comply with the Production and Plugging Schedule as set forth in the Stipulated Order.

Additionally, by June 13, 2014, Homeland must identify at least two wells on which it will immediately commence rework operations to either produce or plug in order to comply with the April 1, 2014 and the May 15, 2014 dates as set forth in the Production and Plugging Schedule. Unless additional wells are transferred to Tiger, Homeland will be responsible to comply with the remaining dates on the Production and Plugging Schedule. If Tiger desires to transfer wells to comply with those dates, it must notify the Division by June 13, 2014 and must accompany the transfer request with a \$60,000 individual well bond for each well.

Tiger or Homeland may appeal this Division Order by filing with the Board of Oil, Gas and Mining a request for review according to procedures set forth in R649-10-6. A request for review must be filed with the Secretary to the Board, Julie Ann Carter (801) 538-5277, within 30 days of issuance of this Order.

In the event Tiger or Homeland does not respond to this Order within 30 days of receipt, the Division may file for a formal hearing before the Board of Oil, Gas and Mining, as described in the Utah Administrative Code R641, requesting a Board Order to plug and restore the well sites. Should this matter be brought before the Board, the Division will seek bond forfeiture (R649-3-1.16) and liability for plugging costs in excess of bond forfeiture amounts (R649-3-1-4).

Questions regarding this order may be directed to Clinton Dworshak, Compliance Manager at (801) 538-5280 or Dustin Doucet, Engineer, at (801) 538-5281.

Sincerely,



Clinton Dworshak
Compliance Manager

CLD/js

cc: John Rogers, Associate Director Oil & Gas
Kass Wallin, Attorney General
Dustin Doucet, Petroleum Engineer
Elizabeth A. Schulte, Parsons, Behle & Latimer
N:\O&G Reviewed Docs\ChronFile\Enforcement

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well	8. WELL NAME and NUMBER: REIMANN 10-1	
2. NAME OF OPERATOR: HOMELAND GAS & OIL, INC.	9. API NUMBER: 43013304600000	
3. ADDRESS OF OPERATOR: P.O. Box 1776, Roosevelt, UT, 84066	PHONE NUMBER: 435 722-2992 Ext	9. FIELD and POOL or WILDCAT: ALTAMONT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 10 Township: 04.0S Range: 06.0W Meridian: U	COUNTY: DUCHESNE	
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/1/2014	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

plugging procedure attached

Approved by the
Utah Division of
Oil, Gas and Mining

Date: September 02, 2014

By: 

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A		DATE 8/13/2014



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43013304600000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Amend Plug #4: This plug shall be an inside/outside plug. RIH and perforate @ $\pm 663'$. Establish circulation down the 7 5/8" casing back up the 7 5/8" x 10 3/4" annulus. If injection into the perms cannot be established a 150' plug (± 35 sx) shall be balanced from $\pm 700'$ to 550'. If injection is established: RIH with CICR and set at $\pm 613'$. M&P 50 sx cement, sting into CICR pump 38sx, sting out and dump 12 sx on top of CICR. This will isolate the base of the Moderately Saline Groundwater as required by rule R649-3-24-3.3.**
- 3. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 4. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 5. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 7. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

8/26/2014

Wellbore Diagram

r263

API Well No: 43-013-30460-00-00

Permit No:

Well Name/No: REIMANN 10-1

Company Name: HOMELAND GAS & OIL, INC.

Location: Sec: 10 T: 4S R: 6W Spot: NESW

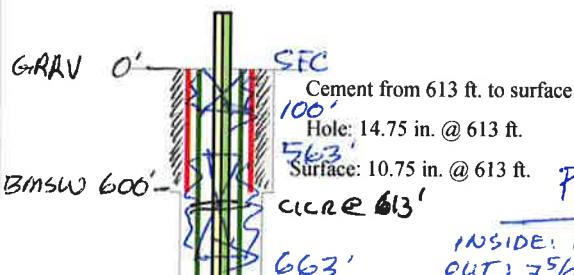
Coordinates: X: 538184 Y: 4443942

Field Name: ALTAMONT

County Name: DUCHESNE

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	L/CF
HOL1	613	14.75			
SURF	613	10.75 x 7 5/8"	40.5	(0.2338)	4.278
HOL2	5776	8.75 x 7 5/8"	10.10	(0.1882)	5.3144
PROD	5776	7.625	26.4	(0.2648)	3.775
L1	7146	5.5		(0.1387)	7.206
T1	5515	2.875			
T2	5515	2.375			
PKR	5515				



Plug # 5

INSIDE: $100' / (1.15 \times 0.2648) = 235X$
 OUT: $7 5/8" \times 10 3/4" 100' / (1.15 \times 0.2338) = 205X$

43 SX Reg
TOC @ SFC

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
L1	7146	5553'	UK	288
SURF	613	0	UK	500

Amend Plug # 4

Int. Est TOC @ 3250' assuming 400X pumped as proposed

* move to cover shoe 50' above & below
 INSIDE: $100' / (1.15 \times 0.2648) = 235X$
 OUT: $7 5/8" \times 8 3/4" 50' / (1.15 \times 0.1882) = 85X$
 $7 5/8" \times 10 3/4" 50' / (1.15 \times 0.2338) = 105X$

50 SX Reg
TOC @ 563'

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
6122	7036			

Plug # 3

(605X)(1.15)(3.775) = 260'

TOC @ ± 3800' ✓ O.K.

Plug # 2

Hole: 8.75 in. @ 5776 ft

Liner from 7146 ft. to 5553 ft

Packer: @ 5515 ft.

Tubing: 2.875 in. @ 5515 ft.

p.Tubing: 2.375 in. @ 5515 ft.

Production: 1.025 in. @ 5776 ft.

5553'

EST.
TOC @ 5553'

WSTC 5800'

5975'

CIRC @ 6075'

6122'

6275 ±

Hole: Unknown

7036'

TD: 7146 TVD:

PBSD:

7084

Plug # 1

Above: $(205X)(1.15)(7.206) = 165'$ Below: $(505X)(1.15)(7.206) = 414'$ TOC @ 5975' +
✓ O.K.

Well Site Services
58 E 100 N
Roosevelt UT 84066
wellsite@ubtanet.com

Proposed Plugging Procedure

Reimann 10-1
API- 43-013-30460
Sec. 10-4S-6W
Duchesne County, Utah

Surface Csg: 10-3/4 40.5# 613' J55 500SKS
Prod Csg: 7-5/8 26.4# 5776' J55 400SKS no returns
Liner: 5-1/2" 5553'-7146 17# P110 288 SKS
Tubing: 2 7/8" 6.5#
Rods 3/4-7/8-1"
Perfs: 6122-7036 17 intervals 224' 251 holes Wasatch zone
ETOC 3950 @ 8%
KB 14
TD 7146 PBTD 7084

1. Notify DOGM of P&A operations at least 24 hours prior to starting abandonment operations.
2. MIRU plugging equipment. Blow well down if necessary.
3. RU Rod equip unseat pump and flush TBG.
4. TOOH rods laying down.
5. Remove wellhead equipment. NU 5.000# BOP
6. Release anchor TOOH with 2 7/8" N80 8rnd Check tubing.
7. TIH with Bit and scraper to 6120 TOOH to 6075CIRC 150 BLS water @ 250
8. TOH PU CIRC TIH set @ 6075
9. Establish injection rate. Mix and pump 70sks Class G 15.8# cement, 50sks under CIRC, and spot 20sks (100') on top.
10. TOOH 500' reverse out
11. Test CSG 1000PSI if fails call for orders
12. Roll hole with (corrosion inhibitor treated) clean production water
13. TOOH to 5553 pump 100' Balance plug. 25 sacks 15.8# cement

- 14.** TOOH 500 Reverse out.
- 15.** TOOH 4050 and place a 100' balance plug 60 sacks.
- 16.** TOH 500' Reverse out.
- 17.** TOH to 600. (BMSGW) Place a 100' inside outside plug.
- 18.** TOH. RU wire line & Perf @100
- 19.** TOH to 100' and circulate cement to surface.
- 20.** Cut off wellhead 4' below ground level and top off cement then install dry hole plate containing well information
- 21.** RDMO

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Oil Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: HOMELAND GAS & OIL, INC.		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1776 , Roosevelt, UT, 84066		8. WELL NAME and NUMBER: REIMANN 10-1
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1749 FSL 1928 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESW Section: 10 Township: 04.0S Range: 06.0W Meridian: U		9. API NUMBER: 43013304600000
PHONE NUMBER: 435 722-2992 Ext		9. FIELD and POOL or WILDCAT: ALTAMONT
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/23/2014	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input checked="" type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <div style="text-align: center;"> Final plugging Sundry. See attached document </div> <div style="text-align: right; margin-top: 20px;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY September 26, 2014 </div>		
NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A	DATE 9/25/2014	

Well Site Services
58 E 100 N
Roosevelt UT 84066
wellsite@ubtanet.com

Final Plugging
Reimann 10-1-4-6
API- 43-013-30460
Sec. 10-4S-6W
Duchesne County, Utah

Surface Csg: 10-3/4 40.5# 613' J55 500SKS ID10.5
Prod Csg: 7-5/8 26.4# 5776' J55 400SKS no returns ID 6.969
Liner: 5-1/2" 5553'-7146 17# P110 288 SKS
Tubing: 2 7/8" 6.5#
Rods 3/4-7/8-1"
Perfs: 6122-7036 17 intervals 224' 251 holes Wasatch zone
ETOC 3950 @ 8%
KB 14
TD 7146 PBTD 7084

1. Notified DOGM of P&A operations.
2. MIRU plugging equipment.
3. RU Rod equip unseat pump and flush TBG.
4. TOO H rods laying down.
5. Remove wellhead equipment. NU 5.000# BOP
6. Anchor won't release. Shoot off 2-7/8 8rnd TBG at 6085 with a jet cut. 2' above anchor.
7. TIH with Bit and scraper to 6075 CIRC Well clean with corrosion inhibited water
8. TOH PU CIRC TIH set @ 6075
9. Sting out and test CSG to 1000 PSI
10. Sing in and establish injection rate 9 BLS per minute. 70sks Class C 15.8# cement, 50sks under CIRC, and spot 20sks (100') on top.
11. TOO H to 5557 pump 100' Balance plug. 25 sacks Class C 15.8# cement
12. TOO H 500 Reverse out. Wait on cement
13. Tag plug at 5422

14. TOOH 4036 and Pump 67 SKS Class C 15.8# Cement.

15. TOH 500' Reverse out. Wait on cement.

16. TIH tag plug 3791

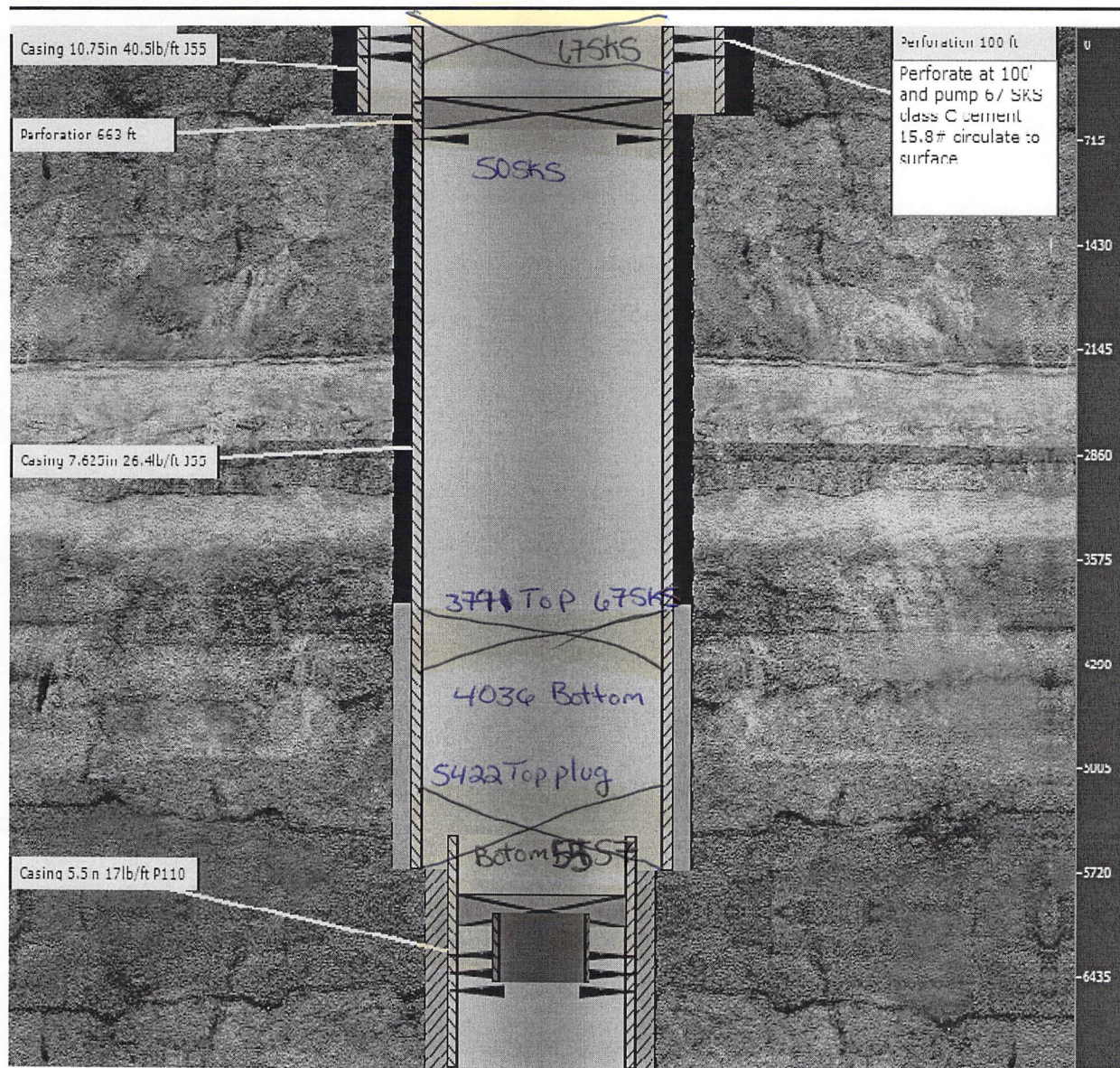
17. TOH Perforate at 663 TIH retainer and set @610. Pump 50SKS Class C 15.8# cement 38 Below and 12 on top

18. TOH. RU wire line & Perf @100

19. pump down 10-3/4 up 7-5/8 67 SKS of Class C 15.8# cement to surface.

20. Cut off wellhead 4' below ground level and top off cement. Weld plate on top with well name & #.

21 clean location and move out.



Measured Depth - 7150 ft

Legend:

- Open Hole
- Tubing
- Perforation
- Drillable Bridge Plug
- Casing



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 18, 2014

Certified Mail #7011 2970 0001 8828 1696

Craig Phillips
Homeland Gas and Oil, Inc.
P.O. Box 1776
Roosevelt, Utah 84066

DIVISION WELL PLUGGING ORDER

Subject: Cause No. SI/TA-102

10 45 6W

Dear Mr. Phillips:

Pursuant to the Modification to Stipulated Order in Cause No. SI/TA-102, dated August 1, 2014, the Division of Oil, Gas, and Mining ("**Division**") under Utah Code sections 40-6-15 and -16 orders Homeland Gas and Oil, Ltd. ("**Homeland**"), as operator and agent of the owners of the Bates 9-1 well (API #43-013-30469) ("**Bates**") and the Reimann 10-1 well (API #43-013-30460) ("**Reimann**"; collectively Bates and Reimann are "**Wells**" or "**Well**") and associated wellbores, to plug and abandon the Wells pursuant to the plugging procedures approved by the Division for each Well and to take any and all actions necessary, incidental, and attendant to the plugging and abandonment of the Wells.

This Order only requires Homeland to work on the plugging and abandonment of the Wells one-at-a-time and the Division grants Homeland the discretion to determine the order in which the Wells will be plugged; provided, however, that once plugging work has commenced, Homeland must diligently work until both Wells are plugged and abandoned to the Division's satisfaction.



Homeland will have a reasonable time from the issuance of this Division Order to commence, or to have its plugging contractor commence, plugging activities on the Wells. Upon the completion of the plugging of the first Well, Homeland and its plugging contractor shall have 14 calendar days to commence plugging the second Well.

Homeland or its plugging contractor must keep the Division reasonably informed of its progress by filing sundries or other communication. Should plugging activities be suspended or interrupted for more than five business days for reasons beyond the control of Homeland or its plugging contractor, Homeland must provide written notice of the same to the Division and state when it believes plugging activities will recommence.

Questions regarding this order may be directed to Clinton Dworshak, Compliance Manager, at (801) 538-5280.

Sincerely,



Clinton Dworshak
Compliance Manager

CLD/js

cc: John Roger, Associate Director Oil and Gas
Matthew Brahana, with Van Cott, Bagley, Cornwall & McCarthy
Steve Alder, Attorney General
Wells File
SI/TA-102 File
Enforcement File

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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PHONE NUMBER: 435 722-2992 Ext		9. FIELD and POOL or WILDCAT: ALTAMONT
COUNTY: DUCHESNE		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/17/2014	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
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	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The Surface work has been completed according to R649-3-34 and the surface owners satisfaction.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 22, 2014		
NAME (PLEASE PRINT) Craig S. Phillips	PHONE NUMBER 435 722-2992	TITLE Manager
SIGNATURE N/A	DATE 12/17/2014	